

117TH CONGRESS,
2ND SESSION.

H.R. _____

To tax the human causes of greenhouse gas emissions, open the energy market to more competition, and induce other countries to adopt and enforce reciprocal measures.

**IN THE HOUSE OF REPRESENTATIVES
OF THE UNITED STATES**

Mr. or Ms. _____ (for himself and Mr. or Ms. _____)
introduced the following bill, which was read twice and referred to the Committee on

A BILL

To tax the human causes of greenhouse gas emissions, open the energy market to more competition, and induce other countries to adopt and enforce reciprocal measures.

1 *Be it enacted by the Senate and House of Representatives of the United States of America in*
2 *Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS; DEFINITIONS.**

4 (a) SHORT TITLE.—This Act may be cited as the “America First, Comprehensive,
5 Worldwide, Fossil Fuel Tax Act of 2022”.

6 (b) TABLE OF CONTENTS.—The Table of Contents for this Act is as follows:

7 Sec. 1. Short title; table of contents; definitions.

8 **TITLE I—FOSSIL FUEL TAX**

9 Sec. 101.—Fossil and non-fossil fuel emissions tax and credit.

1 Adding at the end of the Internal Revenue Code of 1986, the following Subtitle L— Greenhouse
2 Gas Emissions:

3 “Sec. 9901. Certification of carbon mole fraction.

4 “Sec. 9902. Tax on fossil fuel extraction and importation.

5 “Sec. 9903. Tax on non-fossil fuel, renewable sources.

6 “Sec. 9904. Tax on greenhouse gas emissions from non-fossil fuel, non-
7 renewable, industrial sources.

8 “Sec. 9905. Tax on fluorinated gas.

9 “Sec. 9906. Tax on methane produced by ruminant animals.

10 “Sec. 9907. Credit for carbon sequestration and storage.”

11 TITLE II—OPENING THE ENERGY MARKET

12 TO MORE COMPETITION

13 Sec. 201.—Limitation on authority of the Environmental Protection Agency to regulate
14 carbon dioxide emissions.

15 Sec. 202.—Repeal of credits, subsidies, allowances and set-asides for fossil fuel.

16 Sec. 203.—Engine efficiency standards.

17 Sec. 204.—Ethanol.

18 Sec. 205.—Jatropha curcas.

19 Sec. 206.—Policy against future adoption of credits, subsidies, allowances and set-asides
20 favoring fossil or renewable fuels.

21 Sec. 207.—Relation to state and local law.

22 Sec. 208.—Recision of solar panel tariffs imposed since May 1, 2018.

23 TITLE III—FOREIGN RECIPROCITY

24 Sec. 301. Policy of foreign reciprocity.

25 Sec. 302. Requirements satisfying foreign reciprocity and compliance.

26 Sec. 303. Penalties for failure to reciprocate.

27 Sec. 304. World Trade Organization compliance.

1 TITLE IV—ALLOCATION OF REVENUES

2 Sec. 401.— *INTENTIONALLY LEFT BLANK*

3 TITLE V—OTHER PROVISIONS

4 Sec. 501.—Payable tax.

5 Sec. 502.—Record keeping.

6 Sec. 503.—Penalties.

7 Sec. 504.—Interpretation.

8 Sec. 505.—Severability.

9 (c) DEFINITIONS.—As used everywhere in this Act, the following definitions shall

10 apply: **NOTE THAT ALL USES OF THE FOLLOWING DEFINED TERMS**
 11 **IN THE STATUTE THAT FOLLOWS ARE** IN ALL CAPITAL LETTERS **TO**
 12 **AID THE READER IN SEARCHING FOR AND BECOMING FAMILIAR**
 13 **WITH THESE DEFINITIONS**

14 (1) ADMINISTRATOR.—The term “Administrator” means the Administrator of
 15 the United States Environmental Protection Agency.

16 (2) ANNUAL TAX RATE.—The term “annual tax rate” means for a FOSSIL
 17 FUEL, the fee per metric ton of the fuel, as calculated in paragraph (A); for a non-fossil fuel,
 18 RENEWABLE SOURCE, the fee per metric ton of the BIOMASS as calculated in paragraph
 19 (B); and for a NON-FOSSIL FUEL, NON-RENEWABLE, INDUSTRIAL SOURCE, the fee per
 20 metric ton, as calculated in paragraph (C).

21 (A). For a FOSSIL FUEL, the fee per metric ton of the fuel is calculated
 22 by multiplying the PRICE PER METRIC TON OF CARBON DIOXIDE by the inverse of the
 23 CARBON MOLE FRACTION OF CARBON DIOXIDE and by the carbon MOLE FRACTION
 24 of the fuel sampled at the POINT OF EXTRACTION. The material sample of oil sands
 25 measured for its carbon MOLE FRACTION shall be the bitumen extracted therefrom at the point
 26 of origin, but not processed or modified further, before transport from the point of origin.

27 (B). For a NON-FOSSIL FUEL, renewable source, the fee per metric ton
 28 of the fuel is calculated by multiplying the PRICE PER METRIC TON OF CARBON DIOXIDE

1 the inverse of the CARBON MOLE FRACTION OF CARBON DIOXIDE and by the carbon
2 MOLE fraction of the fuel sampled at the land from which the BIOMASS derives. The material
3 sample of BIOMASS measured for its carbon MOLE FRACTION shall be a uniform,
4 representative and average part of the total BIOMASS composition that is used for or to make
5 combustible energy. In the case of a plant seed intended for or used to make plant oil biofuel, the
6 material sample measured for its carbon MOLE FRACTION shall be the contents of the seed or
7 kernel, including the skin or husk, pulp and oil, crushed, pulverized and mixed into a uniform
8 and consistent substance, without losing any of the original energy-producing ingredients. If
9 there is a secondary part of the plant separate from the seed or kernel that is also BIOMASS used
10 for or to make combustible energy, such as corn stover (leaves, stalks and cobs), then a material
11 sample of this secondary part of the plant may be measured for its carbon MOLE FRACTION
12 and may serve as the tax base for this separate BIOMASS. In the case of woody or cellulosic
13 matter that is used to make energy, the material sample measured for its carbon MOLE
14 FRACTION shall be the woody trunk or stem, after drying and not including the bark. If the
15 BIOMASS does not have seeds or kernels and does not have a woody trunk or stem that is used
16 to make energy, the material sample measured for its carbon MOLE FRACTION shall be the
17 BIOMASS plant's raw carbohydrate before it is processed further into usable fuel.

18 (C) For a NON-FOSSIL FUEL, NON-RENEWABLE, INDUSTRIAL
19 SOURCE, the fee per metric ton is calculated by multiplying the PRICE PER METRIC TON OF
20 CARBON DIOXIDE by the CARBON DIOXIDE EQUIVALENT quantity of the emissions at
21 the source's point or points of emissions.

22 (3) BIOMASS.—The term “biomass” means plant matter that was living but has
23 died within the preceding twenty (20) years and is not fossilized, which matter may be used to
24 generate energy, whether harvested for that or another purpose, or which is waste matter. The
25 term “BIOMASS” excludes lignite and peat.

26 (4) CARBON DIOXIDE EQUIVALENT.— The term “carbon dioxide
27 equivalent” means, with respect to a GREENHOUSE GAS, the quantity of such gas that has a

1 global warming potential equivalent to 1 metric ton of carbon dioxide, as determined pursuant to
2 table A–1 of subpart A of part 98 of title 40, Code of Federal Regulations, as in effect on the date
3 of the enactment of the America First, Comprehensive, Worldwide, Fossil Fuel Tax Act.

4 (5) CARBON MOLE FRACTION OF CARBON DIOXIDE.—The term “carbon
5 mole fraction of carbon dioxide” means 0.2727. The inverse of this number is 3.667.

6 (6) COAL.—The term “coal” has the same meaning given such term under
7 section Title 26, section 48A(c)(4) of the United States Code.

8 (7) CONSUMER PRICE INDEX.—The Consumer Price Index for the previous
9 calendar year is the average of the Consumer Price Index for all-urban consumers
10 published by the Department of Labor as of the close of the 12-month period ending on
11 August of such calendar year. For purposes of the preceding sentence, the revision of the
12 Consumer Price Index which is most consistent with the Consumer Price Index for calendar
13 year 1986 shall be used.

14 (8) ENGINE EFFICIENCY.—The term “engine efficiency” shall mean the fuel-
15 neutral ratio of the rate of energy supplying an engine to the rate of work the engine is
16 performing as a result. The rate of energy supplying an engine shall be the net quantity of energy
17 entering the engine’s combustion chamber(s) per unit of time.

18 (9) FORESTRY HARVESTING RESIDUES OR RESIDUALS.—The term
19 “forestry harvesting residues or residuals” means tops, limbs, and branches of trees, and saplings,
20 or trees with a diameter at breast height below five (5) inches (12.7 centimeters),

21 (10) FORESTRY PROCESSING BY-PRODUCTS AND RESIDUES.—The term
22 “forestry processing by-products and residues” means sawdust, shavings, bark, tall oil / tall oil
23 pitch, and brown liquor.

24 (11) FOSSIL FUEL.— The term “fossil fuel” means any substance naturally
25 occurring or originating below the surface of the soil or deriving from such substance that
26 consists of former life forms containing carbon that have become fossilized, such as COAL

1 (including lignite and peat), PETROLEUM and any PETROLEUM product, and methane or
2 natural gas coming from inside the earth that—

3 (A) when combusted or otherwise used, will release GREENHOUSE GAS
4 emissions; and

5 (B) is—

6 (i) extracted, manufactured, or produced in the United States; or

7 (ii) imported into the United States for consumption, processing,
8 use, or storage for later use.

9 (12) FOSSIL FUEL NET LIFE CYCLE GREENHOUSE GAS EMISSIONS
10 REPLACEMENT VALUE OF BIOMASS.—The term “fossil fuel NET LIFE CYCLE
11 GREENHOUSE GAS EMISSIONS replacement value of BIOMASS” means the number of
12 years (“N”) that it will take for the cumulative energy available in and combusted as fuel from a
13 BIOMASS feedstock harvested year-after-year, calculated using this feedstock’s lower heating
14 value, to equal or surpass the energy content of all of the FOSSIL FUEL that would have to be
15 combusted to generate the carbon equivalent sum of (a) the diminution and permanent loss of
16 carbon stored in plant matter above the surface of the land, (b) the methane and nitrous oxides
17 released from the land to the atmosphere caused by the degree of tilling and ploughing the land,
18 and (c) the FOSSIL FUEL transportation energy GREENHOUSE GAS emissions expended on
19 the land, all of (a) through (c) caused by the following BIOMASS cultivation and activities: land
20 preparation, planting, embedded energy content of and application of treatments, irrigation,
21 cultivation and harvesting, and excluding transportation to and away from the land of origin,
22 refining and processing, and combustion of the BIOMASS feedstock. The number of years
23 (“N”) is calculated by following steps (A) through (I) below for each year and cumulating the
24 values for the first, second and following years, until the usable energy content of the cumulative
25 harvest yield of that portion of BIOMASS that is used to generate energy for years 1 through N is
26 equal to or greater than the total, cumulative yield of BIOMASS necessary to generate the energy
27 content of the quantity of FOSSIL FUEL whose combustion would generate the carbon

1 equivalent of the quantity of carbon, methane and nitrous oxides lost and released by the
2 activities set forth in items (a) through (c) above. The steps are:

3 (A) Measure and calculate the quantity of carbon, methane and nitrous
4 oxides lost and released by the BIOMASS cultivation activities set forth above in (a) through (c)
5 for Year 1 and add their carbon equivalencies to produce the sum of the total CARBON
6 DIOXIDE EQUIVALENT generated for Year 1, which is Gas_1 ;

7 (B) Calculate the quantity of the relevant FOSSIL FUEL, whether
8 PETROLEUM, natural gas, or COAL, that would upon combustion produce the amount of
9 carbon dioxide that is Gas_1 , the quantity of FOSSIL FUEL being FF_1 ;

10 (C) Utilizing the lower heating value of the FOSSIL FUEL, H_{FF} , and the
11 lower heating value of the BIOMASS, H_{BB} , determine the quantity of BIOMASS that would
12 have the energy content of FF_1 , this quantity of BIOMASS being B_1 and its quantity of energy
13 being E_1 ;

14 (D) Multiplying the lower heating value of the BIOMASS by the quantity
15 of BIOMASS harvested in Year 1, determine the total energy content of the quantity of
16 BIOMASS harvested in Year 1, which is Y_1 ;

17 (E) If the total energy content of the quantity of BIOMASS harvested in
18 Year 1, Y_1 , is equal to or greater than the total energy content of B_1 , which is E_1 , then N equals
19 one;

20 (F) If Y_1 is not equal to or greater than E_1 , then for biofuel cultivation
21 activities undertaken in Year 2 on the same acre of land, perform steps (A), (B), and (C) to solve
22 for Gas_2 , FF_2 , B_2 and E_2 , and determine if the total energy content of the quantity of BIOMASS
23 harvested in the sum of Years 1 and 2, which is the sum of Y_1 plus Y_2 , is equal to or greater than
24 the sum of E_1 plus E_2 ;

25 (G) If Y_1 plus Y_2 is equal to or greater than E_1 plus E_2 , then N equals two.

26 (H) If the sum of Y_1 plus Y_2 is not equal to or greater than the sum of E_1
27 plus E_2 , then continue performing steps (A), (B), and (C) for Years 3 to N to solve for Gas_3

1 through G_{AS_N} , FF_3 through FF_N , B_3 through B_N , and E_3 through E_N , and determine if the total
 2 energy content of the quantity of BIOMASS harvested in the sum of Year 1 through Year N,
 3 which is the sum of Y_1 plus Y_2 plus Y_3 plus all of the total energy content of the quantity of
 4 BIOMASS harvested in all of the subsequent years leading to and including Y_N , constituting $Y_{(1}$
 5 through and including N), is equal to or greater than the sum of E_1 plus E_2 plus E_3 plus all of the
 6 quantities of BIOMASS energy equaling FOSSIL FUEL displaced in all of the subsequent years
 7 leading to and including E_N , constituting $E_{(1}$ through and including N);

8 (I) Once $Y_{(1}$ through and including N) is equal to or greater than $E_{(1}$ through and including
 9 N), then N is the number of years that this result has taken to happen, and N is the NET LIFE
 10 CYCLE GREENHOUSE GAS EMISSIONS replacement value of the BIOMASS.

11 (13) GREENHOUSE GAS.—The term “greenhouse gas” has the meaning given
 12 such term under section 211(o)(1)(G) of the Clean Air Act, as in effect on the date of the
 13 enactment of the America First, Comprehensive, Worldwide, Fossil Fuel Tax Act.

14 (14) MOLE.—The term “mole” means the molecular weight of a substance.

15 (15) MOLE FRACTION.—The term “MOLE fraction” means moles of a
 16 substance divided by total moles involved.

17 (16) NET LIFE CYCLE GREENHOUSE GAS EMISSIONS.—The term “net life
 18 cycle GREENHOUSE GAS emissions” means the sum of the GREENHOUSE GAS emissions
 19 attributed to the activities stated in paragraph (A) minus the sum of the GREENHOUSE GAS
 20 emissions attributed to the factors stated in paragraph (B):

21 (A) (i) In the case of a FOSSIL FUEL: exploration, land preparation
 22 (including clearance of plant matter and moving of earth), drilling, and mining, including all
 23 energy costs incurred in bringing the crude FOSSIL FUEL to the surface of the earth for capture
 24 and transport therefrom, and;

25 (ii) In the case of BIOMASS: land preparation (including clearing
 26 of plant matter that was storing carbon both above and below ground and the degree of turning or
 27 ploughing of the soil) and transportation energy costs incurred on the land in planting, applying

1 agricultural treatments, cultivating, irrigating, and harvesting the feedstock without any further
2 processing and before transport away from the land of origin;

3 (B) Any carbon extracted from the atmosphere by a plant storing it as
4 BIOMASS, including but not limited to storing the extracted carbon as plant hydrocarbon oil,
5 cellulose, roots, and sugar, accumulated over the productive lifetime of the plant.

6 (17) NON-FOSSIL FUEL.—The term “non-FOSSIL FUEL” means any fuel or
7 energy that comes from a source that is not a FOSSIL FUEL.

8 (18) NON-FOSSIL FUEL, NON-RENEWABLE, INDUSTRIAL SOURCE.—The
9 term “NON-FOSSIL FUEL, non-renewable, industrial source” means a stationary source of
10 GREENHOUSE GASES emitted during an industrial process that is not a FOSSIL FUEL or
11 BIOMASS and that does not derive from a FOSSIL FUEL or BIOMASS—

12 (A) which is required to report emissions (or which would be required to
13 report emissions notwithstanding any other provision of law prohibiting the
14 implementation of or use of funds for such requirements), or to which emissions are attributed,
15 under part 98 of title 40, Code of Federal Regulations, as in effect on the date of the enactment of
16 this America First, Comprehensive, Worldwide, Fossil Fuel Tax Act, and

17 (B) which emitted during the calendar year preceding the tax year
18 GREENHOUSE GASES (not including carbon dioxide or fluorinated GREENHOUSE GASES)
19 at a rate equal to the CARBON DIOXIDE EQUIVALENT of not less than 5,000 metric tons per
20 year.

21 (19) PETROLEUM.—The term “petroleum” includes the meanings given
22 “petroleum” and “petroleum product” under Title 26, section 4612(a)(3) of the United States
23 Code, and “oil sand” or “tar sand.” “Oil sand” or “tar sand” means a deposit of sand
24 impregnated with bitumen.

25 (20) POINT OF EXTRACTION.—The term “point of extraction” means, for
26 COAL, the mine mouth, and for PETROLEUM and natural gas, the well-head, before the
27 FOSSIL FUEL is cleaned, stored or diverted into any pipeline or means of transport or processed

1 or otherwise put to beneficial use, including FOSSIL FUEL before it is flared or otherwise
2 immediately combusted, with the exception that the “point of extraction” from the COAL mine
3 mouth may include run-of-mine COAL upon its exit from a COAL preparation and processing
4 plant that is located at the mine mouth and which run-of-mine COAL has been washed of soil
5 and non-COAL rock and minerals.

6 (21) POINT OF IMPORTATION.—The term “point of importation” means the
7 ship port, airport, or land crossing at which a FOSSIL FUEL enters on land the legal jurisdiction
8 of the United States from abroad.

9 (22) PRICE PER METRIC TON OF CARBON DIOXIDE.—The term “price per
10 metric ton of carbon dioxide” means a percentage increase in the previous year’s price per
11 metric ton of carbon dioxide equal to the increase in the CONSUMER PRICE INDEX for the
12 previous calendar year, plus the following:

13 (A) for the calendar year beginning January 1, 2023, the price of one (1)
14 metric ton of carbon dioxide shall be: \$18.00;

15 (B) for the calendar year beginning January 1, 2024, the price of one (1)
16 metric ton of carbon dioxide shall be \$19.00 (increasing \$1.00 or 5.56 percent from the preceding
17 calendar year);

18 (C) for the calendar year beginning January 1, 2025, the price of one (1)
19 metric ton of carbon dioxide shall be \$20.50 (increasing \$1.50 or 7.89 percent from the preceding
20 calendar year);

21 (D) for the calendar year beginning January 1, 2026, the price of one (1)
22 metric ton of carbon dioxide shall be \$22.50 (increasing \$2.00 or 9.76 percent from the preceding
23 calendar year);

24 (E) for the calendar year beginning January 1, 2027, the price of one (1)
25 metric ton of carbon dioxide shall be \$25.00 (increasing \$2.50 or 11.11 percent from the
26 preceding calendar year);

1 (F) for the calendar year beginning January 1, 2028, the price of one (1)
2 metric ton of carbon dioxide shall be \$28.00 (increasing \$3.00 or 12.0 percent from the preceding
3 calendar year);

4 (G) for the calendar year beginning January 1, 2029, the price of one (1)
5 metric ton of carbon dioxide shall be \$31.50 (increasing \$3.50 or 12.5 percent from the preceding
6 calendar year);

7 (H) for the calendar year beginning January 1, 2030, the price of one (1)
8 metric ton of carbon dioxide shall be \$35.50 (increasing \$4.00 or 12.69 percent from the
9 preceding calendar year);

10 (I) for the calendar year beginning January 1, 2031, the price of one (1)
11 metric ton of carbon dioxide shall be \$40.00 (increasing \$4.50 or 12.68 percent from the
12 preceding calendar year);

13 (J) for the calendar year, beginning January 1, 2032, the price of one (1)
14 metric ton of carbon dioxide shall be \$45.00 (increasing \$5.00 or 12.5 percent from the preceding
15 calendar year);

16 (K) for the calendar year, beginning January 1, 2033, the price of one (1)
17 metric ton of carbon dioxide shall be \$50.50 (increasing \$5.50 or 12.22 percent from the
18 preceding calendar year);

19 (L) for the calendar year, beginning January 1, 2034, the price of one (1)
20 metric ton of carbon dioxide shall be \$56.50 (increasing \$6.00 or 11.88 percent from the
21 preceding calendar year);

22 (M) for the calendar year, beginning January 1, 2035, the price of one (1)
23 metric ton of carbon dioxide shall increase by twelve (12) percent from the preceding calendar
24 year (or \$6.78, increasing to \$63.28);

25 (N) for the calendar year, beginning January 1, 2036, the price of one (1)
26 metric ton of carbon dioxide shall increase by thirteen (13) percent from the preceding calendar
27 year (or \$8.23, increasing to \$71.51);

1 (O) for the calendar year, beginning January 1, 2037, the price of one (1)
2 metric ton of carbon dioxide shall increase by fourteen (14) percent from the preceding calendar
3 year (or \$10.01, increasing to \$81.52);

4 (P) for the calendar year, beginning January 1, 2038, the price of one (1)
5 metric ton of carbon dioxide shall increase by fifteen (15) percent from the preceding calendar
6 year (or \$12.23, increasing to \$93.74);

7 (Q) for the calendar year, beginning January 1, 2039, the price of one (1)
8 metric ton of carbon dioxide shall increase by sixteen (16) percent from the preceding calendar
9 year (or \$15.00, increasing to \$108.74);

10 (R) for the calendar year, beginning January 1, 2040, the price of one (1)
11 metric ton of carbon dioxide shall increase by eighteen (18) percent from the preceding calendar
12 year (or \$19.57, to \$128.32);

13 (S) for the calendar year, beginning January 1, 2041, the price of one (1)
14 metric ton of carbon dioxide shall increase by twenty (20) percent from the preceding calendar
15 year (or \$25.66, increasing to \$153.98);

16 (T) for the calendar year, beginning January 1, 2042, the price of one (1)
17 metric ton of carbon dioxide shall increase by twenty two (22) percent from the preceding
18 calendar year (or \$33.88, increasing to \$187.86);

19 (U) for the calendar year, beginning January 1, 2043, the price of one (1)
20 metric ton of carbon dioxide shall increase by twenty four (24) percent from the preceding
21 calendar year (or \$45.09, increasing to \$232.94);

22 (V) for the calendar year, beginning January 1, 2044, the price of one (1)
23 metric ton of carbon dioxide shall increase by twenty six (26) percent from the preceding
24 calendar year (or \$60.57, increasing to \$293.51);

25 (W) for the calendar year, beginning January 1, 2045, the price of one (1)
26 metric ton of carbon dioxide shall increase by twenty eight (28) percent from the preceding
27 calendar year (or \$82.18, increasing to \$375.69);

1 (X) for the calendar year, beginning January 1, 2046, the price of one (1)
2 metric ton of carbon dioxide shall increase by thirty (30) percent from the preceding calendar
3 year (or \$112.71, increasing to \$488.40);

4 (Y) for the calendar year, beginning January 1, 2047, the price of one (1)
5 metric ton of carbon dioxide shall increase by thirty two (32) percent from the preceding calendar
6 year (or \$156.29, increasing to \$644.69);

7 (Z) for the calendar year, beginning January 1, 2048, the price of one (1)
8 metric ton of carbon dioxide shall increase by thirty four (34) percent from the preceding
9 calendar year (or \$219.19, increasing to \$863.88);

10 (AA) for the calendar year, beginning January 1, 2049, the price of one (1)
11 metric ton of carbon dioxide shall increase by thirty six (36) percent from the preceding calendar
12 year (or \$311.00, increasing to \$1,174.88);

13 (BB) for the calendar year, beginning January 1, 2050, the price of one (1)
14 metric ton of carbon dioxide shall increase by thirty eight (38) percent from the preceding
15 calendar year (or \$446.45, increasing to \$1,621.33);

16 (EE) for the calendar year, beginning January 1, 2051 and every calendar
17 year thereafter, the price of one (1) metric ton of carbon dioxide shall increase by forty (40)
18 percent per year from the preceding calendar year;

19 (FF) except that for FOSSIL FUEL COAL (including lignite and peat), the
20 price shall be the price calculated above for the calendar year, adjusted as follows:

21 (i) for the calendar year beginning January 1, 2023: three and one-
22 third (3 1/3, or 3.33) percent of the price calculated in subparagraph (A);

23 (ii) for the calendar year beginning January 1, 2024: six and two-
24 thirds (6 2/3, or 6.67) percent of the price calculated in subparagraph (B);

25 (iii) for the calendar year beginning January 1, 2025: ten (10)
26 percent of the price calculated in subparagraph (C);

1 (iv) for the calendar year beginning January 1, 2026: thirteen and
2 one-third ($13 \frac{1}{3}$, or 13.67) percent of the price calculated in subparagraph (D);

3 (v) for the calendar year beginning January 1, 2027: sixteen and
4 two-thirds ($16 \frac{2}{3}$, or 16.67) percent of the price calculated in subparagraph (E);

5 (vi) for the calendar year beginning January 1, 2028: twenty (20)
6 percent of the price calculated in subparagraph (F);

7 (vii) for the calendar year beginning January 1, 2029: twenty three
8 and one-third ($23 \frac{1}{3}$, or 23.33) percent of the price calculated in subparagraph (G);

9 (viii) for the calendar year beginning January 1, 2030: twenty six
10 and two-thirds ($26 \frac{2}{3}$, or 26.67) percent of the price calculated in subparagraph (H);

11 (ix) for the calendar year beginning January 1, 2031: thirty (30)
12 percent of the price calculated in subparagraph (I);

13 (x) for the calendar year beginning January 1, 2032: thirty three
14 and two-third ($33 \frac{1}{3}$, or 33.33) percent of the price calculated in subparagraph (J);

15 (xi) for the calendar year beginning January 1, 2033: thirty six and
16 two-thirds ($36 \frac{2}{3}$, or 36.67) percent of the price calculated in subparagraph (K);

17 (xii) for the calendar year beginning January 1, 2034: forty four
18 (44) percent of the price calculated in subparagraph (L);

19 (xiii) for the calendar year beginning January 1, 2035: fifty five
20 (55) percent of the price calculated in subparagraph (M);

21 (xiv) for the calendar year beginning January 1, 2036: seventy five
22 (75) percent of the price calculated in subparagraph (N);

23 (xv) for the calendar year beginning January 1, 2037: one hundred
24 (100) percent of the price calculated in subparagraph (O), and;

25 (xv) for the calendar years beginning on January 1, 2038 and on
26 January 1 of every year thereafter: one hundred (100) percent of the price calculated in the one of
27 subparagraphs (P) to (EE) corresponding to that calendar year.

1 (23) PRIMARILY FORESTED OR WOODED LAND.—The term “primarily
2 forested or wooded land” means land that is forested with trees and plants creating a canopy that
3 is at least four (4) meters in height consisting of branches and leaves at least four (4) meters above
4 the ground, which canopy of at least four (4) meters in height covers and shades at least fifty (50)
5 percent of the area of the land during some part of the year, as verified by on-the-ground, human
6 observation and two (2) meter acuity, monochromatic, satellite imagery.

7 (24) RENEWABLE SOURCE.—The term “renewable source” means a source of
8 GREENHOUSE GASES emitted that does not derive from a FOSSIL FUEL and that is
9 BIOMASS that was living at the time of its harvest when the person who directed its harvest
10 objectively intended that it be used as fuel, processed into fuel, or sold to make fuel.

11 (25) RESPONSIBLE PARTY.—The term “responsible party” means:

12 (A) with regards to a FOSSIL FUEL, the person or entity who is the legal
13 actor removing the FOSSIL FUEL from the earth at the POINT OF EXTRACTION or importing
14 it into the customs area of the United States;

15 (B) with regards to a NON-FOSSIL FUEL, RENEWABLE SOURCE, the
16 person or entity responsible for harvesting the BIOMASS from the land, except that if the
17 aggregate area of land from which the person or entity so harvests in the preceding year is no
18 more than one-quarter (1/4 or 0.25) acre in size, then there shall not be any responsible party;

19 (C) with regards to a NON-FOSSIL FUEL, NON-RENEWABLE,
20 INDUSTRIAL SOURCE, the owner of the point of emission;

21 (D) with regards to a flourinated gas, the person or entity who is the legal
22 actor producing, emitting, transforming, destroying, or importing the flourinated gas;

23 (E) with regards to methane produced by a RUMINANT ANIMAL whose
24 milk was drawn for commercial, human consumption at some time during the preceding year, the
25 owner of the animal, except that if the owner of the animal and his spouse and blood relatives of
26 the first degree own a total of fewer than five (5) RUMINANT ANIMALS during the tax year,
27 there shall not be any responsible party, and;

1 (F) with regards to methane produced by a RUMINANT ANIMAL whose
2 milk has not been drawn for human consumption within the year preceding its slaughter or death,
3 the slaughterer of the animal.

4 (26) RUMINANT ANIMAL.— The term “ruminant animal” means a cow, goat,
5 sheep, deer, elk, moose, giraffe and camel, except such animal that is hunted from the wild or,
6 not previously owned by any person, captured from the wild and later slaughtered or dies of
7 natural causes.

8 (27) TRADE REPRESENTATIVE.—The term “Trade Representative” shall
9 mean the person holding the appointment of United States Trade Representative or, if that
10 position is unfilled or held in an acting capacity, the Secretary of Commerce.

11 (28) TROPICAL FOREST LAND.—The term “tropical forest land” means land
12 lying between the Tropic of Cancer and the Tropic of Capricorn forested with trees and plants
13 creating a canopy of at least four (4) meters in height consisting of branches and leafs at least
14 four (4) meters above the ground, which canopy of at least four (4) meters in height covers and
15 shades at least seventy five (75) percent of the area of the land during some part of the year, as
16 verified by on-the-ground human observation and two (2) meter acuity, monochromatic, satellite
17 imagery.

18 **TITLE I — FOSSIL FUEL TAX**

19 **SEC. 101. FOSSIL AND NON-FOSSIL FUEL GREENHOUSE GAS EMISSIONS.**

20 (a) IN GENERAL.—Chapter 38 of the Internal Revenue Code of 1986 is amended
21 by adding at the end thereof the following new subchapter:

22 **“Subchapter L—GREENHOUSE GAS EMISSIONS**

23 “Sec. 9901. Certification of carbon mole fraction.

24 “Sec. 9902. Tax on fossil fuel extraction and importation.

25 “Sec. 9903. Tax on non-fossil fuel, renewable sources.
26

1 “Sec. 9904. Tax on greenhouse gas emissions from non-fossil fuel, non-
2 renewable, industrial sources.

3 “Sec. 9905. Tax on fluorinated gas.

4 “Sec. 9906. Tax on methane produced by ruminant animals.

5 “Sec. 9907. Credit for carbon sequestration and storage.”

6 **“SEC. 9901. CERTIFICATION OF CARBON MOLE FRACTION.**

7 “(a) IN GENERAL.—Beginning on January 1, 2023, every shipment or pipeline
8 batch of FOSSIL FUEL and beginning on January 1, 2024, BIOMASS intended for use as
9 or to make fuel that is imported to or exported from the United States, or that is in
10 transport from or after its point of domestic origin, shall carry with it at all points leading
11 to its retail sale and at the border and beyond a written certification by a laboratory
12 meeting International Standards Organization 9001 standards or by the standards
13 certification agency of the national government of the place of origin stating the carbon
14 MOLE FRACTION of the FOSSIL FUEL or BIOMASS. The written certification shall
15 identify for the shipment and its constituent portions the specific location and address of
16 the POINT OF EXTRACTION or land of origin, the carbon MOLE FRACTION and the
17 specific representative material sample from which it was determined and can be traced
18 and the custodian thereof, the RESPONSIBLE PARTY and his or her U.S. mail, email,
19 and physical address and telephone number, and all transfers of custody and ownership
20 and all points of processing, all the way to the point of retail sale or the United State
21 border. If a shipment or pipeline batch consists of FOSSIL FUEL or BIOMASS that
22 comes from two or more different points of extraction or origin, the written certificate
23 shall state the quantities and percentages of the shipment or batch coming from each one.
24 A shipment of FOSSIL FUEL or BIOMASS intended for use as or to make fuel shall not
25 be admitted to the territory of the United States unless it has with it such a written
26 certification. Such a written certification shall be the presumptive measure of the carbon
27 MOLE FRACTION of the FOSSIL FUEL or BIOMASS, unless the U.S. Customs

1 Service, the Departments of State, Energy, Justice, or Treasury, or the Environmental
2 Protection Agency conduct or commission a test showing otherwise.

3 “(b) RECORD KEEPING.—The RESPONSIBLE PARTY or the laboratory
4 determining the carbon MOLE FRACTION shall sign the Certificate of Carbon MOLE
5 FRACTION under penalty of perjury. The RESPONSIBLE PARTY shall have a duty to
6 retain the Certificate of Carbon MOLE FRACTION of the representative material sample
7 of a FOSSIL FUEL or NON-FOSSIL FUEL, RENEWABLE SOURCE assigned to
8 quantities in commerce for a period of three years after the carbon MOLE FRACTION of
9 the representative material sample was last assigned to any quantity in commerce.

10 **“SEC. 9902. TAX ON FOSSIL FUEL EXTRACTION AND IMPORTATION.**

11 “(a) IN GENERAL.—There is hereby imposed on all FOSSIL FUELS at the
12 POINT OF EXTRACTION and importation to the United States a tax payable by the
13 RESPONSIBLE PARTY in an amount equal to the ANNUAL TAX RATE, as applied to
14 the CARBON DIOXIDE EQUIVALENT quantity of the particular FOSSIL FUEL. The
15 quantity shall be taxed by its mass and shall be of the same characteristics and standard as
16 the representative material sample from which the carbon MOLE FRACTION for taxing
17 that quantity was determined. For FOSSIL FUEL that is imported to the United States,
18 the carbon MOLE FRACTION used in the calculation of the ANNUAL TAX RATE shall
19 be the carbon MOLE FRACTION stated on the fuel quantity’s certification of carbon
20 MOLE FRACTION, unless an agency of the United States government determines that
21 the carbon MOLE FRACTION is otherwise.

22 “(b) CREDIT AGAINST TAX.—A RESPONSIBLE PARTY for GREENHOUSE
23 GAS emissions from a FOSSIL FUEL may claim a credit against the annual tax
24 calculated and due according to subsection (a) on the conditions stated in Section 9907.

25 **“SEC. 9903. TAX ON NON-FOSSIL FUEL, RENEWABLE SOURCES.**

26 “(a) IN GENERAL.—There is hereby imposed a tax payable by the
27 RESPONSIBLE PARTY at the ANNUAL TAX RATE on the quantity of any NON-

1 FOSSIL FUEL, RENEWABLE SOURCE at the POINT OF EXTRACTION and
2 importation to the United States, subject to any adjustment or exemption qualifying under
3 subsection (b). The quantity shall be taxed by its mass and shall be of the same
4 characteristics and standard as the representative material sample from which the carbon
5 MOLE FRACTION was determined, with the following exception: if the BIOMASS was
6 a plant seed or kernel, then the quantity taxed shall consist of the whole seed or kernel,
7 including its skin or husk, before crushing and pulverizing to make the material sample.
8 For a NON-FOSSIL FUEL, RENEWABLE SOURCE that is imported to the United
9 States, the carbon MOLE FRACTION used in the calculation of the ANNUAL TAX
10 RATE shall be the carbon MOLE FRACTION stated on the RENEWABLE SOURCE
11 quantity's certification of carbon MOLE FRACTION, unless an agency of the United
12 States government determines that the carbon MOLE FRACTION is otherwise.

13 “(b) ADJUSTMENT OF OR EXEMPTION FROM TAX.—The tax specified in
14 subsection (a) shall be adjusted as follows:

15 “(1) if the NON-FOSSIL FUEL, RENEWABLE SOURCE derives from
16 BIOMASS having a FOSSIL FUEL NET LIFE CYCLE GREENHOUSE GAS
17 EMISSIONS REPLACEMENT VALUE OF BIOMASS of five (5) or fewer years, then
18 the tax specified in subsection (a) is multiplied by zero (0) and this source shall be exempt
19 from tax obligation under this section for so long as it meets this qualification;

20 “(2) if the NON-FOSSIL FUEL, RENEWABLE SOURCE derives from
21 BIOMASS having a FOSSIL FUEL NET LIFE CYCLE GREENHOUSE GAS
22 EMISSIONS REPLACEMENT VALUE OF BIOMASS of greater than five (5) years,
23 then the tax specified in subsection (a) is multiplied by one (1), except that:

24 “(A) if the land from which any of the RENEWABLE SOURCE
25 derives was, before planting of the BIOMASS, virgin TROPICAL FOREST LAND or
26 within an area that was as of 1950, TROPICAL FOREST LAND and that has since then

1 re-grown and as of January 1, 2018 was TROPICAL FOREST LAND, then the tax
2 specified in subsection (a) is multiplied by ten (10), or;

3 “(B) if the land from which any of the RENEWABLE SOURCE
4 derives was, immediately before harvest of the BIOMASS, PRIMARILY FORESTED
5 OR WOODED LAND, and if:

6 “(i) the BIOMASS is agricultural or FORESTRY
7 HARVESTING RESIDUES OR RESIDUALS or FORESTRY PROCESSING BY-
8 PRODUCTS AND RESIDUES, then the tax specified in subsection (a), calculated within
9 one (1) year of the harvesting or processing, is multiplied by zero (0);

10 “(ii) the BIOMASS is selectively harvested or culled woody
11 matter whose total mass consists of not more than twenty-five (25) percent per acre of the
12 total mass of the woody matter living above ground on the total area within the perimeter
13 surrounding the specific land from which the woody matter was culled, and if, counting
14 this culling, not more than twenty-five (25) percent of the total mass of the woody matter
15 living above ground on the total area of the specific land from which the woody matter
16 was culled has been culled or harvested within the preceding ten (10) years, then the tax
17 specified in subsection (a) is multiplied by zero (0), or;

18 “(iii) the RESPONSIBLE PARTY plants on land from which
19 the BIOMASS is harvested and on land contiguously owned by the owner of the land, or
20 on other land owned by the same owner or another person under a planting contract
21 entered into exclusively with the RESPONSIBLE PARTY within a five hundred (500)
22 mile radius of the contiguous boundary of any such land harvested from, new,
23 compensating BIOMASS plantings of the same or similar species as those harvested, in at
24 least the same planting density as those harvested, within twelve (12) months of the
25 harvest, and on at least six (6) times the size of the acreage harvested, then the tax
26 specified in subsection (a) is multiplied by zero (0). If such plantings cover at least three
27 (3) times the acreage harvested, then the tax specified in subsection (a) is multiplied by

1 one-half, or fifty (50) percent (0.5). If such plantings cover at least two (2) times the size
2 of the acreage harvested, then the tax specified in subsection (a) is multiplied by three-
3 quarters, or seventy five (75) percent (0.75). If any such plantings, if any, cover less than
4 two (2) times the size of the acreage harvested, then the tax specified in subsection (a) is
5 multiplied by two (2.0). For the purpose of the foregoing calculation, any tree species
6 clear-cut as BIOMASS that *sua sponte* germinates within one year new shoots from its
7 roots in at least the same planting density as those harvested on a particular piece of land
8 shall count as one (1) time the size of the acreage harvested.

9 “(c) LAND PROHIBITION.

10 “(1) No land that was PRIMARILY FORESTED OR WOODED LAND as
11 of December 31, 2010 may be put to use to grow BIOMASS for use as a RENEWABLE
12 SOURCE of GREENHOUSE GAS emissions, except as permitted by and under the terms
13 of subsections (a) and (b) and this subsection (3)(c). Breach of this proscription shall
14 constitute a federal civil infraction that is subject to a fine of \$5 per kilogram of
15 BIOMASS harvested in breach of subsection (a) or (b) and upon prosecution by the
16 United States Department of Justice, a federal district court injunction.

17 “(2) Two (2) meter acuity, monochromatic, satellite imagery available from
18 the United States Geological Survey, together with on-the-ground human observation,
19 shall be dispositive of whether land anywhere in the world is PRIMARILY FORESTED
20 OR WOODED LAND and on other questions of land use raised by this section. If such
21 imagery is not available for any date in question before December 31, 2010, the earliest
22 date after December 31, 2010 for which such imagery is available shall be evidence of
23 whether the land was on any date in question before December 31, 2010 forested or
24 wooded and on other questions of land use raised by this section.

25 “(3) The clearing of any land anywhere in the world intended to grow
26 BIOMASS for use as a RENEWABLE SOURCE of GREENHOUSE GAS emissions
27 shall meet all of the following restrictions:

1 “(i) Fire, whether intentionally started or spread without or beyond
2 human control, may not serve as the primary means of clearing the land or have, arising
3 from human intention to plant BIOMASS for use as a RENEWABLE SOURCE of
4 GREENHOUSE GAS emissions, cleared the land in the preceding five years;

5 “(ii) No living BIOMASS may be purposefully killed and later
6 harvested for the purpose of evading the definition of “RENEWABLE SOURCE” and
7 avoiding being subject to this Section 9903, and;

8 “(iii) It shall be presumed that land from which BIOMASS derives is
9 PRIMARILY FORESTED OR WOODED LAND and the burden shall lie on the
10 RESPONSIBLE PARTY to demonstrate that land from which BIOMASS derives was not
11 PRIMARILY FORESTED OR WOODED LAND in any enforcement, civil or criminal
12 proceeding brought under this Act.

13 “(4) For the purpose of federal law, jatropha curcas plants are not
14 considered to be an invasive species, if they are cultivated within the strictures of this
15 Section 9903.

16 “(d) CERTIFICATION OF COMPLIANCE.—A party selling fuel from a
17 RENEWABLE SOURCE that is registered with the ADMINISTRATOR or that blends
18 with a fuel that is registered with the ADMINISTRATOR shall, before making any such
19 sale, apply to a private, non-profit certifying organization that is funded by the dues of
20 responsible parties under this Section and approved by the ADMINISTRATOR, seeking
21 one or more determinations on and certifications of a FOSSIL FUEL NET LIFE CYCLE
22 GREENHOUSE GAS EMISSIONS REPLACEMENT VALUE OF BIOMASS, and
23 cannot sell such renewable fuel unless and until the organization or the
24 ADMINISTRATOR grants a certification for its BIOMASS from a RENEWABLE
25 SOURCE. The applicant is entitled to appeal a final determination or certification by
26 such an organization to an appellate officer of the ADMINISTRATOR under the
27 Administrative Procedure Act, as though the final determination of the organization were

1 a final determination by the ADMINISTRATOR, and shall have all of the due process
2 and appeal rights thereunder. Such an organization that fails to rule on an application
3 submitted to it under this subsection within ninety (90) days of submission of the
4 application to it shall be deemed to have denied certification for the purpose of this
5 subsection. An applicant engaging in any appeal under the Administrative Procedure Act
6 shall have the burden of proving by clear and convincing evidence that the determination,
7 certification, or denial by an organization approved by the ADMINISTRATOR of a
8 FOSSIL FUEL NET LIFE CYCLE GREENHOUSE GAS EMISSIONS
9 REPLACEMENT VALUE OF BIOMASS was erroneous. An appellate tribunal may
10 reverse the determination, certification or denial outright, it may grant it on specified
11 terms and conditions, or it may reverse it provisionally pending an audit and certification
12 of a second organization approved by the ADMINISTRATOR to conduct such
13 evaluations and hired by the RESPONSIBLE PARTY. After certification, the
14 organization granting the certification may audit the field performance, fuel supply chain,
15 and records of the party winning the certification and the responsible parties supplying its
16 BIOMASS at any time and shall do so with at least such frequency, and on such terms, if
17 any, as the ADMINISTRATOR prescribes.

18 “(e) RECORD KEEPING.—A RESPONSIBLE PARTY shall be required to keep
19 records of the carbon MOLE FRACTION and the precise source location, quantity, BIOMASS
20 species, and dates of planting and harvesting of every quantity of BIOMASS harvested therefrom
21 for a period of five (5) years, as well as the precise location, species, and dates of planting of all
22 compensating BIOMASS planted pursuant to subsection (b). A party selling fuel from a
23 RENEWABLE SOURCE seeking or winning compliance certification pursuant to this
24 Section shall furnish original records or true and accurate copies thereof, as requested by
25 the certifying organization.

26 “(f) RULEMAKING.—The ADMINISTRATOR shall conduct a formal
27 rulemaking to:

1 “(1) prepare a form for responsible parties to fill out aiding them in
2 calculating their NET LIFE CYCLE GREENHOUSE GAS EMISSIONS replacement
3 value of BIOMASS, which form the RESPONSIBLE PARTY shall be required to fill out,
4 sign, date, and retain for a period of five (5) years for every batch of BIOMASS he, she or
5 it puts into commerce, traceable to the land(s) of origin;

6 “(2) establish criteria to evaluate and certify the performance of
7 independent, private, non-profit certifying organizations that are funded by the dues of
8 responsible parties and their associates, whose function it is to evaluate and report to the
9 ADMINISTRATOR the performance of responsible parties in satisfying their obligations
10 under this Section, including achieving an accurate FOSSIL FUEL NET LIFE CYCLE
11 GREENHOUSE GAS EMISSIONS replacement value for every acre of land from which
12 the RESPONSIBLE PARTY seeks to or has harvested BIOMASS; among the criteria are
13 that the organization will pay the taxes and expenses for independent environmental
14 evaluators whom the ADMINISTRATOR may appoint to audit their compliance and the
15 compliance of responsible parties with this statute and report the results of their audits to
16 the ADMINISTRATOR, and;

17 “(3) provide guidance to private non-profit certifying organizations that are
18 funded by the dues of responsible parties and approved by the ADMINISTRATOR in
19 conducting their certification evaluations of responsible parties and their compliance with
20 this Section.

21 “(g) REPEAL OF 42 U.S.C. § 7545(O).—Title 42, section 7545, subsection (o) is
22 repealed, null, void and without legal effect as of January 1, 2023. Agency regulations
23 adopted to implement this Title 42, section 7545, subsection (o) or that rely on it for their
24 statutory authority, including but not limited to the Renewable Fuel Standard, no longer
25 have legal effect as of that date. All approvals, certifications and permits granted
26 thereunder also no longer have any legal effect as of that date.

1 **“Sec. 9904. TAX ON GREENHOUSE GAS EMISSIONS FROM NON-FOSSIL**
2 **FUEL, NON-RENEWABLE, INDUSTRIAL SOURCES.**

3 “(a) IN GENERAL.—There is hereby imposed a tax on the RESPONSIBLE
4 PARTY in an amount of tax determined under subsection (b) on the emission, including
5 the emission attributed at any point in the manufacturing or industrial process, of any
6 GREENHOUSE GAS (other than fluorinated GREENHOUSE GASES) emitted from any
7 NON-FOSSIL FUEL, NON-RENEWABLE, INDUSTRIAL SOURCE that was not
8 emitted by the combustion of FOSSIL FUEL or BIOMASS.

9 “(b) AMOUNT OF TAX.—The amount of tax imposed by subsection (a) shall be
10 the PRICE PER METRIC TON OF CARBON DIOXIDE multiplied by the CARBON
11 DIOXIDE EQUIVALENT quantity of the GREENHOUSE GASES emitted by the NON-
12 FOSSIL FUEL, NON-RENEWABLE, INDUSTRIAL SOURCE.

13 “(c) CREDIT AGAINST TAX.—A RESPONSIBLE PARTY for GREENHOUSE
14 GAS emissions from a NON-FOSSIL FUEL, non-renewable industrial source may claim
15 a credit against the annual tax calculated and due according to subsection (a) on the
16 conditions stated in Section 9907.

17 **“SEC. 9905. TAX ON FLUORINATED GAS.**

18 “(a) IN GENERAL.—There is hereby imposed a tax payable by the
19 RESPONSIBLE PARTY in an amount determined under subsection (b) on fluorinated
20 GREENHOUSE GASES—

21 “(1) produced at a fluorinated GREENHOUSE GAS production facility,

22 “(2) imported into the United States by a fluorinated GREENHOUSE GAS importer, or

23 “(3) emitted by an industrial fluorinated GREENHOUSE GAS facility.

24 “(b) AMOUNT OF TAX.—The amount of tax imposed by subsection (a) shall be
25 equal to the applicable percentage (as defined in subsection (c)(5)) multiplied by the
26 PRICE PER METRIC TON OF CARBON DIOXIDE and multiplied by the CARBON
27 DIOXIDE EQUIVALENT quantity produced or imported.

1 “(c) DEFINITIONS.—For purposes of this section—

2 “(1) FLUORINATED GREENHOUSE GASES.—The term ‘fluorinated
3 GREENHOUSE GASES’ means sulfur hexafluoride (SF₆), nitrogen trifluoride (NF₃),
4 any hydrofluorocarbon, any perfluorocarbon, any fully fluorinated linear, branched or
5 cyclic alkane, ether, tertiary amine or amino ether, any perfluoropoly ether, any
6 hydrofluoropoly ether, and any other fluorocarbon except for substances with vapor
7 pressures of less than 1 mm of Hg absolute at 25 degrees Celsius.

8 “(2) FLUORINATED GREENHOUSE GAS PRODUCTION
9 FACILITY.—The term ‘fluorinated GREENHOUSE GAS production facility’ means any
10 facility which is included under the industrial gas supplier source category under subpart
11 OO of part 98 of Title 40, Code of Federal Regulations, as in effect on the date of the
12 enactment of this Act.

13 “(3) FLUORINATED GREENHOUSE GAS IMPORTER.—The term
14 ‘fluorinated GREENHOUSE GAS importer’ means any importer who is included
15 under—

16 “(A) the industrial gas supplier source category under subpart OO of
17 part 98 of Title 40, Code of Federal Regulations, as in effect on the date of the enactment
18 of this Act, or

19 “(B) the source category under subpart QQ of such part (as so in
20 effect).

21 “(4) INDUSTRIAL FLUORINATED GREENHOUSE GAS FACILITY.—
22 The term ‘industrial GREENHOUSE GAS facility’ means any facility which—

23 “(A) is included under—

24 “(i) the aluminum production source category under subpart
25 F of part 98 of Title 40, Code of Federal Regulations, as in effect on the date of the
26 enactment of this Act,

1 “(ii) the HCFC–22 production and HFC–23 destruction
2 source category under subpart O of such part (as so in effect), or

3 “(iii) the fluorinated gas production source category under
4 subpart L of such part (as so in effect), and

5 “(B) emitted during the previous calendar year fluorinated
6 GREENHOUSE GASES with a total CARBON DIOXIDE EQUIVALENT of not less
7 than 25,000 tons.

8 “(5) APPLICABLE PERCENTAGE.—The term ‘applicable percentage’
9 means the percentage determined in accordance with the following table:

11	“In the case of any taxable year beginning	The applicable
12	in calendar year:	percentage is:
13	2023	10 percent
14	2024	20 percent
15	2025	30 percent
16	2026	40 percent
17	2027	50 percent
18	2028	60 percent
19	2029	70 percent
20	2030	80 percent
21	2031	90 percent
22	2032 or thereafter	100 percent.

23 “(d) REFUND FOR CONSUMPTIVE TRANSFORMATION AND
24 DESTRUCTION.—In the case of a person who transforms or destroys any fluorinated
25 GREENHOUSE GAS for which tax has been imposed under paragraph (1) or (2) of
26 subsection (a) as an input for a manufactured good that transforms the fluorinated
27 GREENHOUSE GAS such that it cannot later be emitted or otherwise destroys the gas

1 (without emissions) and can prove clearly and convincingly such transformation or
2 destruction, a refund shall be allowed to such person in the same manner as if it were an
3 overpayment of the tax imposed by such subsection in an amount that is equal to the
4 product of—

5 “(1) an amount equal to the applicable percentage (as defined in subsection
6 (c)(5)) of the applicable amount under subsection (b), for the calendar year in which such
7 fluorinated GREENHOUSE GAS was transformed or destroyed, and

8 “(2) the excess (if any) of—

9 “(A) the total CARBON DIOXIDE EQUIVALENT quantity of the
10 fluorinated GREENHOUSE GASES used or destroyed, minus

11 “(B) the total CARBON DIOXIDE EQUIVALENT quantity of any
12 fluorinated GREENHOUSE GASES created as the result of the transformation or
13 destruction process.

14 **“SEC. 9906. TAX ON METHANE PRODUCED BY RUMINANT ANIMALS.**

15 “(a) IN GENERAL.—There is hereby imposed a tax payable by the
16 RESPONSIBLE PARTY in an amount equal to the following:

17 “(1) with regards to a RUMINANT ANIMAL whose milk was drawn for
18 commercial, human consumption at any time in the preceding year, an annual tax in the
19 amount of four (4) times the PRICE PER METRIC TON OF CARBON DIOXIDE
20 divided by one thousand three hundred (1,300) and multiplied by the number of pounds
21 constituting the animal’s live weight as of December 30 of the tax year;

22 “(2) with regards to a RUMINANT ANIMAL whose milk was not drawn
23 for commercial, human consumption at any time during the preceding year, a one-time tax
24 due within thirty (30) days of the animal’s slaughter in the amount of four (4) times the
25 PRICE PER METRIC TON OF CARBON DIOXIDE divided by one thousand three
26 hundred (1,300) and multiplied by the number of pounds constituting the animal’s live

1 weight immediately before its slaughter, multiplied by the number of whole years old the
2 animal had lived at the time of its slaughter.

3 “(b) RECORD KEEPING.—The party responsible for paying the tax on a
4 RUMINANT ANIMAL shall retain for a period of five years a record of the identity of
5 each animal for which it has paid the tax set forth in subsection (a) and, if applicable, the
6 animal’s live weight immediately before its slaughter.

7 “(c) CREDIT AGAINST TAX.—A RESPONSIBLE PARTY for methane
8 produced by a RUMINANT ANIMAL may claim a credit against the annual tax
9 calculated and due for any particular year according to subsections (a) and (b) in the
10 amount stated in subsection (b) of Section 9907 and in paragraphs (1) and (2) if the
11 RESPONSIBLE PARTY can prove that the RUMINANT ANIMAL was subject to either
12 of the following mitigating steps:

13 (1) If the RUMINANT ANIMAL resided inside a covered building for at least
14 four (4) months of the year, the building had a system for capturing and storing ninety (90)
15 percent of the methane gas emitted by the RUMINANT ANIMAL, and within the tax year, this
16 methane was cleaned and combusted to create power for purposeful human activity, then the
17 RUMINANT ANIMAL shall be exempt from the annual FOSSIL FUEL tax calculated for that
18 year of the RUMINANT ANIMAL’s life.

19 (2) If the RUMINANT ANIMAL was equipped with a tube inserted into its
20 digestive tract that transmitted methane directly into a portable storage tank carried on the
21 cow’s body for at least six (6) months of the year, and the RESPONSIBLE PARTY then
22 transferred all of the methane captured in the storage tank every day to a bigger storage
23 tank, and subsequently within the tax year, this methane was cleaned and combusted to
24 create energetic power for purposeful human activity, then the RUMINANT ANIMAL
25 shall be exempt from the annual tax calculated for that year of the RUMINANT
26 ANIMAL’s life.

1 (3) If the RUMINANT ANIMAL spent at least six (6) months of the year
2 eating a feed mix that included at least one (1) percent either leaves from the leucaena
3 leucocephala tree or flowers of the cosmos (sunflower) plant, then the amount of tax
4 obligated to be paid for that RUMINANT ANIMAL for that year of the RUMINANT
5 ANIMAL's life shall be reduced by twenty five (25) percent.

6 **“SEC. 9907. CREDIT FOR CARBON SEQUESTRATION AND STORAGE.**

7 “(a) CARBON DIOXIDE.

8 “(1) In the case of a RESPONSIBLE PARTY who

9 “(A) captures carbon dioxide emissions for which he or she is
10 specifically responsible from the combustion of FOSSIL FUEL or from a NON-FOSSIL
11 FUEL, NON-RENEWABLE, INDUSTRIAL SOURCE, and

12 “(B) disposes of such carbon dioxide in permanent secure storage,
13 then the amount determined under paragraph (2) shall be counted as a credit offsetting the
14 RESPONSIBLE PARTY's tax obligation under subsection (a) of the Section under which
15 the tax liability arises.

16 “(2) AMOUNT OF CREDIT.—The amount of the credit under this Section
17 is an amount equal to the product of—

18 “(A) the applicable amount under subsection (a) of Section 9902 or
19 subsection (a) of Section 9904 for the calendar year in which such carbon dioxide was
20 captured and permanently stored, and

21 “(B) the PRICE PER METRIC TON OF CARBON DIOXIDE in
22 effect at the time of capture and storage.

23 “(3) REQUIREMENTS.—

24 “(A) IN GENERAL.—Any credit under paragraph (1) shall apply
25 only with respect to carbon dioxide that has been captured and permanently stored within
26 the United States.

1 “(B) PERMANENT STORAGE—The Secretary of the Treasury, in
2 consultation with the ADMINISTRATOR of the Environmental Protection Agency and
3 the Secretary of Energy, shall establish regulations for determining adequate security
4 measures for the secure and permanent storage of carbon dioxide such that the carbon
5 dioxide does not escape into the atmosphere. Such regulations shall ensure the stored
6 carbon dioxide may not be sold, transferred, exported or used for any purpose that results
7 in the emission of any carbon dioxide to the atmosphere.

8 “(C) RECAPTURE.—The Secretary of the Treasury shall, by
9 regulations, provide for returning to the United States Treasury the benefit of any credit
10 made under paragraph (A) with respect to any carbon dioxide which is disposed of in
11 permanent, secure storage and ceases to be permanently stored in a manner consistent
12 with the requirements of this section.

13 “(b) METHANE. A RESPONSIBLE PARTY for methane produced by a
14 RUMINANT ANIMAL may claim a credit for fifty (50) percent of the tax due for
15 utilizing a device or equipment, or operating a facility, that captures at least fifty (50)
16 percent of the methane emitted by the RUMINANT ANIMAL directly over the course of
17 a year.”

18 (b) EFFECTIVE DATE.—The amendments made by this section shall apply to the
19 taxable year beginning on January 1, 2023 and thereafter.

20 21 **TITLE II—OPENING THE ENERGY MARKET** 22 **TO MORE COMPETITION**

23 **SEC. 201. LIMITATION ON AUTHORITY OF THE ENVIRONMENTAL**
24 **PROTECTION AGENCY TO REGULATE CARBON DIOXIDE EMISSIONS.—**The
25 United States Environmental Protection Agency is denied legal authority to promulgate
26 regulations, and to require states to promulgate regulations, and every state and local government

1 jurisdiction is denied legal authority to promulgate regulations, of mobile and stationary point
2 sources, non-point sources, and transportation vehicles and engines, the purpose of which
3 regulation is to mitigate carbon dioxide as a GREENHOUSE GAS global warming pollutant. As
4 of January 1, 2023, all existing EPA regulations of mobile and stationary point sources, non-
5 point sources, and transportation vehicle technologies, fuels and energy sources oriented to
6 mitigating the GREENHOUSE GAS global warming effect of carbon dioxide emissions,
7 including but not limited to the Clean Power Plan and the Affordable Clean Energy Rule, all
8 EPA regulations to the extent that they require states to consider or regulate carbon dioxide
9 emissions caused by human combustion as a way of mitigating their GREENHOUSE GAS
10 global warming effect, and all state and local government regulations enacted in pursuit of the
11 same goal, are hereby rescinded, null, void and without the force of law in any and all respects.

12 **SEC. 202.—REPEAL OF CREDITS, SUBSIDIES, ALLOWANCES AND SET-ASIDES**
13 **FOR FOSSIL FUEL.**

14 (a) FOSSIL FUELS.— *The authors do not pretend to be experts on FOSSIL FUEL*
15 *subsidies and tax credits. An article published on August 21, 2019 by the Environmental and*
16 *Energy Study Institute (“EESI”) and titled, “Fact Sheet: FOSSIL FUEL Subsidies: A Closer*
17 *Look at Tax Breaks and Societal Costs,” gives an overview, as well as referring to other*
18 *proposed bills that attempt to address this issue. Here is the link:*
19 *<https://www.eesi.org/papers/view/fact-sheet-fossil-fuel-subsidies-a-closer-look-at-tax-breaks-a>*
20 *nd-societal-costs A past bill that listed fossil fuel credits and subsidies was Sen. Bernie*
21 *Sanders’ End Polluter Welfare Act of 2015, 114th Congress, S. 1041, introduced in the House*
22 *by former Rep. Keith Ellison as H.R. 1930.*
23 *It should be noted further that this Draft and the foregoing reference notes attempted to*
24 *address the state of such credits, subsidies, allowances and set-asides as they were publicly*
25 *adopted and known as of January 2020. It does not specifically address any that came into*
26 *being subsequently, other than by general, proscriptive reference.*

1 (b) REPEAL SECTION 45Q CREDIT.—The credit established under section 45Q of the
2 Internal Revenue Code of 1986 for capture, storage, disposal or use of carbon dioxide is repealed,
3 null, void and without effect as of January 1, 2023.

4 (c) REPEAL ADDITIONAL FOSSIL FUEL CREDITS AND SUBSIDIES.— *Repeal*
5 *other credits, subsidies, and provisions favoring FOSSIL FUELS included in the Tax Reform*
6 *of 2017, the Bipartisan Budget Act of 2018, COVID Recovery and Stimulus Legislation, and*
7 *all other legislative enactments and regulatory adoptions. The authors do not know*
8 *specifically what they were, if different from those identified in the EESI article whose link is*
9 *printed in subsection (a) above. Also repeal all credits approved for “enhanced oil recovery.”*

10 (d) NO ENHANCED PETROLEUM OIL RECOVERY CREDIT.—There shall be no
11 federal or state tax credit in any form for enhanced PETROLEUM oil or natural gas recovery.

12 **SEC. 203. ENGINE EFFICIENCY STANDARDS.**

13 (a) REPEAL TAILPIPE RULE STANDARDS AND STATUTORY AUTHORITY.—All
14 agency regulations promulgated by the United States Environmental Protection Agency or the
15 United States Department of Transportation’s National Highway Transportation Safety
16 Administration prescribing motor vehicle and engine fuel economy, fuel efficiency, or
17 GREENHOUSE GAS emissions that rely on a calculation deriving from tailpipe carbon dioxide
18 emissions are revoked and rescinded as of January 1, 2024, as are all regulations promulgated in
19 conjunction with and at the same time as such regulations, for all classes of engine and motor
20 vehicle, including but not limited to passenger and non-passenger light duty vehicles, medium-
21 and heavy-duty engines, vehicles and equipment, motorcycles, two-cycle engines, train
22 locomotives, and ships. These federal agencies are prohibited from adopting in the future fuel
23 economy, fuel efficiency, or GREENHOUSE GAS emissions standards that rely on a calculation
24 deriving from engine or motor vehicle tailpipe carbon dioxide emissions. All statutory
25 authorizations of these federal agencies to determine fuel economy, fuel efficiency, or
26 GREENHOUSE GAS emissions standards for any class of engine or motor vehicle, including
27 but not limited to passenger and non-passenger light duty vehicles, medium- and heavy-duty

1 engines, vehicles and equipment, motorcycles, two-cycle engines, train locomotives, and ships,
2 are rendered null, void and without legal effect as of January 1, 2024.

3 (b) ADOPT ENGINE EFFICIENCY STANDARDS.—The Secretary of Transportation,
4 in consultation with the ADMINISTRATOR of the Environmental Protection Agency, shall issue
5 final standards by January 1, 2024 to measure ENGINE EFFICIENCY for all models and classes
6 of engine sold during the 2024 calendar year and to improve ENGINE EFFICIENCY therefrom
7 by class of engine by at least five percent by December 31, 2026 covering all classes of engines
8 supplying passenger and non-passenger light duty vehicles, medium- and heavy-duty vehicles
9 and equipment, motorcycles, two-cycle engine devices, train locomotives, and ships.

10 **SEC. 204.—ETHANOL.**

11 (a) END PREFERENCE FOR TEN- OR FIFTEEN-PERCENT ETHANOL.—All
12 regulations requiring the blending, distribution or sale of ethanol in a ten- or fifteen-percent
13 concentration, with the remainder being gasoline, are hereby rescinded, null, void and without
14 force of law in any and all respects.

15 (b) DISTRIBUTION OF HIGH-CONCENTRATION ETHANOL.

16 (1).—A retail seller of motor fuel who sold a motor fuel containing at least ten
17 (10) percent ethanol, but not more than twenty (20) percent ethanol (E-10 to -20), from ten (10)
18 or more separate fuel dispensing nozzles in 2021 or in any subsequent calendar year shall not,
19 without compelling evidence and reason, refuse the written demand of an established supplier of
20 ethanol to supply to the retail seller:

21 (A) for sale from at least one fuel dispensing nozzle motor fuel consisting
22 of at least fifty one (51) percent ethanol (E-51+)

23 (B) assuring the retail seller of motor fuel of earning at least the same
24 quantity of post-tax profit from E-51+ fuel sold per nozzle per month for a period of two (2)
25 years as the retail seller earned on average from its most recent, two-year sales period of E-10 to
26 -20, and

1 (C) offering to pay the cost of any necessary alterations and additions to
2 capital equipment, subject to an E-51+ supply contract of at least two (2) years' duration,
3 unless

4 (D) the retail seller is already then making available to at least one other
5 such supplier of E-51+ a fuel storage tank and at least one fuel delivery nozzle on its site,
6 permitting customers to gain access to E-51+ supply thereon.

7 (2).—An established supplier of a motor fuel consisting of at least ten (10) percent
8 ethanol who has been aggrieved by refusal of a retail motor fuel seller to accept a *bona fide*
9 contract offer fulfilling the requisites of Section 204(b)(1) shall have standing and a cause of
10 action to sue in the United States District Court to compel acceptance of and specific
11 performance on such offer. In any such legal action, the prevailing party shall be entitled to
12 award of its costs and reasonable attorney's fees.

13 **SEC. 205.---JATROPHA CURCAS.**

14 (a) SUITABILITY OF PURE JATROPHA CURCAS PLANT OIL AS FUEL FOR
15 DIESEL ENGINES.—Pure jatropha curcas plant oil shall be suitable for use in a dual-tank fuel
16 system as fuel supplying any new or used compression ignition (diesel) engine that the U.S.
17 Environmental Protection Agency or comparable state regulatory agency approves or certifies as
18 meeting criteria pollutant standards adopted under the Clean Air Act when the engine is running
19 on pure jatropha curcas plant oil.

20 (b) CHARACTERISTICS OF PURE JATROPHA CURCAS PLANT OIL.—The
21 characteristics of pure jatropha curcas plant oil used or sold for use in any compression ignition
22 (diesel) engine before blending such fuel with any EPA-approved fuel additive or combining it
23 with PETROLEUM diesel fuel in an engine's fuel tank shall be no more nor less than the
24 following:

25 (1) The fatty acid composition shall fall within the ranges and percentages stated
26 hereinafter:

27 ratio of the number of carbon atoms

	<u>in the fatty acid chain to the number of double carbon bonds</u>	<u>percentage among all fatty acids in the fuel</u>
1		
2		
3	14:0	< 2 %
4	16:0:	3 - 17 %
5	18:0:	5 - 10 %
6	Total 18:1:	36 - 63 %
7	Undefined 18:2:	19 - 45 %
8	Other:	< 1.5 %

9 (2) The sulfur content shall be less than 15 parts per million.

10 (3) The phosphorous content shall be less than 15 parts per million.

11 (4) The water content shall be less than 400 mg/kg at 26.7 degrees Celsius (80
12 degrees Fahrenheit).

13 (5) The particulate content shall be less than 100 milligrams per liter of jatropha
14 curcas plant oil.

15 (6) The oxidative stability shall be 5 hours, pursuant to the Rancimat test.

16 **SEC. 206.—POLICY AGAINST FUTURE ADOPTION OF CREDITS, SUBSIDIES,
17 ALLOWANCES AND SET-ASIDES FAVORING FOSSIL OR RENEWABLE FUELS.**

18 Where not specifically addressed elsewhere in the America First, Comprehensive,
19 Worldwide, Fossil Fuel Tax Act of 2022, it shall be the policy of the United States to decline to
20 extend or renew any and all expiring or enact any new tax credits, fiscal subsidies, and statutory
21 or regulatory allowances and set-asides favoring any fossil or renewable fuel; its enabling
22 technology, equipment, or infrastructure; and its production, distribution or consumption.

23 **SEC. 207.—RELATION TO STATE AND LOCAL LAW.**

24 (a). FEDERAL PREEMPTION.—This America First, Comprehensive, Worldwide,
25 Fossil Fuel Act preempts conflicting state law and regulation and occupies the field preventing
26 states from regulating carbon dioxide as a GREENHOUSE GAS global warming pollutant,
27 including but not limited to all cap-and-trade programs for carbon dioxide emissions, with the

1 exceptions stated in the next sentence. No state law or regulation as of January 1, 2023 may
2 continue in effect that provides for any tax credit, tax exemption, tax deduction, or tradable
3 credit, pays for any governmental subsidy, or ascribes any allowance, set-aside, or production,
4 purchase, or sales target for any FOSSIL FUEL or fuel or energy from a RENEWABLE
5 SOURCE or energy or electricity from geothermal, ocean wave-, hydro-, solar-, or wind-power,
6 or for the technology or equipment whose purpose is to enable the generation, combustion, use or
7 delivery of FOSSIL FUEL, renewable fuel or energy, electricity from geothermal, ocean wave-,
8 hydro-, solar-, or wind-power to a micro- or large electricity transmission grid, or in a boiler,
9 burner, furnace, machine or engine, except for any state severance tax on the extraction of
10 FOSSIL FUEL from the earth, any state excise or transportation tax as it is applied to FOSSIL
11 FUEL, or as expressly provided otherwise in the America First, Comprehensive, Worldwide,
12 Fossil Fuel Tax Act of 2022. As of January 1, 2023, all state and local laws and regulations
13 whose purpose, or one or whose purposes, specifically is to mitigate carbon dioxide emissions as
14 a GREENHOUSE GAS global warming pollutant are hereby rescinded, null, void and without
15 force of law in any and all respects.

16 (b). REDUCING BARRIERS TO ENTRY AND DEPLOYMENT OF RENEWABLE
17 FUEL, ENERGY AND ELECTRICITY UNDER STATE AND LOCAL LAW.—No state or
18 local law or regulation may prohibit or limit the sale of fuel or energy from a RENEWABLE
19 SOURCE, or energy or electricity that is generated by geothermal, ocean wave-, hydro-, solar-, or
20 wind-power, or the adoption or deployment of a technology or equipment whose purpose is to
21 enable the generation, combustion, use or delivery of fuel or energy from a RENEWABLE
22 SOURCE or energy or electricity from geothermal, ocean wave-, hydro-, solar-, or wind-power to
23 or in a boiler, burner, furnace, machine, engine or micro- or large electricity transmission grid, or
24 have the effect of so prohibiting or limiting, unless there is a compelling state governmental
25 interest not considered by the America First, Comprehensive, Worldwide, Fossil Fuel Tax Act of
26 2022 and the state law or regulation has been narrowly drafted or there is clear and convincing

1 evidence that such fuel, energy, electricity or technology poses a threat to human health and
2 welfare and the federal government has not acted in response to that threat.

3 (c). STANDING TO BRING LEGAL ACTION.

4 (1).—The United States Justice Department and any person who is a commercial
5 supplier of fuel or energy, technology related to fuel or energy, or fuel or energy enabling or
6 infrastructure equipment shall have legal standing to challenge any state or local government for
7 its continuing to abide by or enforce any state law, state or local regulation, or program in
8 violation of Section 207(a) or 207(b), except that such standing shall not be valid in any legal
9 challenge against the decision of a government agency or governing body to purchase or rent fuel
10 or energy supply, technology, or enabling equipment or infrastructure for its own use on a one-
11 time basis that is not part of a policy or program extending beyond one year’s duration.

12 (2).—The prevailing party in any legal action filed under Section 207(a) or 207(b)
13 shall be entitled to recover its costs and reasonable attorney’s fees.

14 **SEC. 208.—RECISION OF SOLAR PANEL TARIFFS IMPOSED SINCE MAY 1, 2018.**

15 All new trade tariffs imposed or added since May 1, 2018 by the United States
16 Government on solar panels and other equipment to convert the sun’s rays into electricity or
17 energy that are imported to the United States are hereby revoked, null and void. Without first
18 securing specific legislative approval of Congress, the President may not, based on statutory
19 authority previously granted him, re-impose any tariffs on solar panels and related equipment by
20 his taking executive action before January 31, 2029. The Secretary of Commerce and the U.S.
21 TRADE REPRESENTATIVE shall take all necessary actions to implement the directive of this
22 section.

23 **TITLE III — FOREIGN RECIPROCITY**

24 **SEC. 301. FOREIGN POLICY.**

25 (a) RECIPROCITY.—It shall be the foreign policy of the United States that every other
26 country in the world adopt and enforce law that imposes substantially similar and comparable
27

1 taxes, duties, incentives, and regulatory reforms as are included in this America First,
2 Comprehensive, Worldwide, Fossil Fuel Tax Act.

3 (b) SUPERVISORY PERSONNEL.—There is created within the Department of State the
4 position of Assistant Secretary of State for FOSSIL FUEL Tax Reciprocity and Compliance.

5 (1) The Assistant Secretary of State for FOSSIL FUEL Tax Reciprocity and
6 Compliance shall assist the Secretary of State to carry out the responsibilities of the Secretary and
7 Department of State set forth in this Section.

8 (2) The Secretary of State shall be authorized to hire such staff as are necessary
9 to aid the Assistant Secretary of State for FOSSIL FUEL Tax Reciprocity and Compliance in
10 carrying out the Department of State’s responsibilities set forth herein.

11 **SEC. 302. REQUIREMENTS SATISFYING FOREIGN RECIPROcity AND**
12 **COMPLIANCE.**

13 (a) AUDIT OF FOREIGN COUNTRIES’ COMPLIANCE.—The Secretary of State shall
14 prepare and by no later than July 1, 2023, submit to the TRADE REPRESENTATIVE and to the
15 Chairmen and Ranking Members of the Senate and House Foreign Relations, Finance or Ways &
16 Means, Environment, and Energy Committees an annual audit report analyzing and reporting the
17 compliance of every other country around the world as of January 31, 2017 with the following
18 objectives and certifying the degree to which the foreign country is in full compliance as of
19 January 1, 2023:

20 (1) Adopting, implementing, enforcing and collecting a new and additional tax
21 that is at a rate that is at least as high as the ANNUAL TAX RATE for the respective years stated
22 in the definition of “ANNUAL TAX RATE,” as counted in the country’s own currency at the
23 rate that the country’s central bank exchanges with United States dollars at the close of business
24 on January 2 of the year of the audit, measured at the POINT OF EXTRACTION, on all FOSSIL
25 FUELS extracted from the earth within the country’s land and maritime borders by the method set
26 forth in newly created Tax Code section 9902 of Section 101, and imposing the same method and
27 level of taxation on all FOSSIL FUELS imported to the foreign country at that country’s border;

1 (2) Adopting, implementing, enforcing and collecting a comparable tax by the
2 method and at the rate set forth in newly created Tax Code section 9903 of Section 101 on
3 GREENHOUSE GAS emissions from NON-FOSSIL FUEL, RENEWABLE SOURCES;

4 (3) Adopting, implementing, enforcing and collecting a comparable tax by the
5 method and at the rate set forth in newly created Tax Code section 9904 of Section 101 on
6 GREENHOUSE GAS emissions from NON-FOSSIL FUEL, NON-RENEWABLE,
7 INDUSTRIAL SOURCES;

8 (4) Adopting, implementing, enforcing and collecting a comparable tax by the
9 method and at the rate set forth in newly created Tax Code section 9905 of Section 101 on
10 flourinated gas emissions;

11 (5) Adopting, implementing, enforcing and collecting a comparable tax by the
12 method and at the rate set forth in in newly created Tax Code section 9906 of Section 101 on
13 methane emitted from RUMINANT ANIMALS;

14 (6) Adopting, implementing, and offering a carbon sequestration and storage
15 incentive the same as the one set forth in newly created Tax Code section 9907 of Section 101;

16 (7) Eliminating any and all credits and subsidies for carbon dioxide use and for
17 enhanced PETROLEUM recovery;

18 (8) Eliminating credits, subsidies, allowances, set-asides and targets for all
19 sources of energy or fuel, whether renewable or fossil, and for all enabling technologies,
20 equipment and infrastructure oriented specifically to any one of them;

21 (9) Adopting, implementing and enforcing environmental safeguards on
22 BIOMASS preservation, cultivation and renewal comparable to the ones set forth in newly
23 created Tax Code Section 9903(b), 9903(c), and 9903(d) of Section 101;

24 (10) Making lawful the sale of pure jatropha curcas plant oil, as described in
25 Section 206(b), for use as fuel in compression ignition (diesel) engines, provided this fuel meets
26 any standards for pollutants other than carbon dioxide existing in the country of sale;

1 (11) Eliminating and foregoing all cap-and-trade regimes oriented to reducing
2 carbon dioxide emissions;

3 (12) Eliminating and foregoing all legal authority and regulations, the purpose of
4 which regulation is to mitigate carbon dioxide as a GREENHOUSE GAS global warming
5 pollutant, as set forth in Section 201, and;

6 (13) Adopting, imposing, enforcing and collecting a double-tax on imports of
7 FOSSIL FUELS extracted in any country whom the Secretary of State has determined is not
8 complying with and enforcing the foregoing objectives and policies, and an additional import
9 duty on all NON-FOSSIL FUEL goods exported by a second country that is failing to enforce
10 this same double-tax on non-complying FOSSIL FUEL producing countries, at the rates set forth
11 in Section 303.

12 (b) PENALTIES.—The Secretary of State’s analysis and report required by the
13 subsection (a) shall take into account whether the country implemented its own, nationally-
14 enforceable FOSSIL FUEL tax oriented to combating global warming at any time since January
15 1, 2010 and if such tax is still in force as of January 1, 2023. Any country that has reduced its
16 domestic FOSSIL FUEL tax since January 1, 2017 shall be penalized according to Section 303 if
17 by January 1, 2023, it has not both (i) reimposed in full the domestic FOSSIL FUEL tax it had so
18 reduced, plus (ii) adopted, imposed, enforced and collected an additional increment of FOSSIL
19 FUEL tax, reaching the rate and level of FOSSIL FUEL tax added by the America First,
20 Comprehensive, Worldwide, Fossil Fuel Tax Act of 2022 beginning on January 1, 2023.

21 (c) ANNUAL REPORT.— The Secretary of State shall, in every year subsequent to 2023,
22 prepare and by no later than July 1, submit to the TRADE REPRESENTATIVE and to the
23 Chairmen and Ranking Members of the Senate and House Foreign Relations, Environment and
24 Energy Committees an annual audit report analyzing the compliance of every other country
25 around the world as of January 1 of that year with the objectives set forth in the subsections (a)
26 and (b), except that the currency exchange rate for translating the country’s compliance with the
27 annual tax prescribed in this Section, for the purposes of this analysis and reporting, shall be the

1 exchange rate with United States dollars used by the country's central bank as of January 1 of
2 that year.

3 (d) COOPERATION.—A country that fails to open its governmental accounts and
4 financial statements to enable the Secretary of State to conduct any audit analysis and report
5 required by this Section or to make an honest assessment of the country's compliance with the
6 objectives set forth in subsections (a) and (b) of this Section shall be deemed by the Secretary of
7 State to have failed the audit conducted pursuant to subsection (a) or (c), and the Secretary of
8 State shall so certify this failure to the authorities identified in subsection (c).

9 **SEC. 303. PENALTIES FOR FAILURE TO RECIPROCATE.**

10 (a) FOSSIL FUEL-PRODUCING COUNTRIES.—The TRADE REPRESENTATIVE
11 shall impose double the ANNUAL TAX RATE on imports to the United States of FOSSIL
12 FUELS as the rate set forth in Section 101, whose country of export origin has not adopted,
13 imposed, enforced and collected the reciprocal tax on its domestic extraction of FOSSIL FUELS
14 and creation of other energy sources set forth in Section 302 and is not in full compliance with all
15 of the objectives set forth in subsections (a) and (b) of Section 302. The TRADE
16 REPRESENTATIVE shall terminate the doubling of the ANNUAL TAX RATE on imports to
17 the United States of FOSSIL FUELS when the Secretary of State certifies that the country of
18 export origin has adopted, imposed, enforced and collected the reciprocal tax and is in full
19 compliance with all of the objectives.

20 (b) OTHER COUNTRIES' FAILURE TO PENALIZE NON-COMPLYING, FOSSIL
21 FUEL-PRODUCING COUNTRIES.—The TRADE REPRESENTATIVE shall impose an
22 additional import duty penalty of one (1) percent on the declared value of goods above the bound
23 rates on all imports to the United States of goods that are not FOSSIL FUELS, whose NON-
24 FOSSIL FUEL goods' country of export origin has not adopted, imposed, enforced and collected
25 the reciprocal tax set forth in Section 302 on its imports of FOSSIL FUELS from countries
26 certified by the Secretary of State to be not in compliance with the America First,
27 Comprehensive, Worldwide, Fossil Fuel Tax Act of 2022. The TRADE REPRESENTATIVE

1 shall remove the additional import duty penalty of one (1) percent when the Secretary of State
2 certifies that the country of export origin has adopted, imposed, enforced and collected the
3 reciprocal tax.

4 **SEC. 304. WORLD TRADE ORGANIZATION COMPLIANCE.**

5 (a) ARTICLE IX OF THE WORLD TRADE ORGANIZATION AGREEMENT.—It is
6 the position of the United States that this America First, Comprehensive, Worldwide, Fossil Fuel
7 Tax Act of 2022 is complaint with its rights and duties under the World Trade Organization
8 because this America First, Comprehensive, Worldwide, Fossil Fuel Tax Act of 2022 falls under
9 General Exceptions (b) and (g) set forth in Article XX of the General Agreement on Tariffs and
10 Trade as “necessary to protect human, animal or plant life or health” and “relating to the
11 conservation of exhaustible natural resources[, a temperate atmosphere,] if such measures are
12 made effective in conjunction with restrictions on domestic production or consumption,” and
13 therefore, this America First, Comprehensive, Worldwide, Fossil Fuel Tax Act does not, as
14 Article XX proscribes, “constitute a means of arbitrary or unjustifiable discrimination between
15 countries where the same conditions prevail, or a disguised restriction on international trade.”
16 Nonetheless, in defense of Section 303, within sixty (60) days of passage of the America First,
17 Comprehensive, Worldwide, Fossil Fuel Tax Act of 2022, the United States by its TRADE
18 REPRESENTATIVE, invoking Article IX of the World Trade Organization Agreement, shall
19 apply to the Ministerial Conference of the World Trade Organization for a waiver of its bound
20 rates on FOSSIL FUELS and other goods that the United States committed to in schedules
21 annexed to the Marrakesh Protocol to the General Agreement on Tariffs and Trade of 1994, to
22 the extent and to be implemented under the circumstances set forth in Section 303. Among other
23 grounds that it may determine, the TRADE REPRESENTATIVE shall cite as exceptional
24 circumstances justifying its application for a waiver and invocation of Article IX of the World
25 Trade Organization Agreement the following official statement of the World Trade Organization:
26 Climate change is the biggest sustainable development challenge the international community
27 has had to tackle to date. Measures to address climate change need to be fully compatible with

1 the international community's wider ambitions for economic growth and human advancement. It
 2 is a challenge that transcends borders and requires solutions not only at national levels but at the
 3 international level as well.

4 (b) PARALLEL ACTION BY RECIPROCATING COUNTRIES.—The TRADE
 5 REPRESENTATIVE shall encourage other countries reciprocating and complying with their
 6 obligations under Sections 302 and 303 to invoke Article IX of the World Trade Organization
 7 Agreement and apply to the Ministerial Conference of the World Trade Organization for a waiver
 8 of their bound rates on FOSSIL FUELS and other goods that they committed to in schedules
 9 annexed to the Marrakesh Protocol to the General Agreement on Tariffs and Trade of 1994 or
 10 subsequently, to the extent, and to be implemented under reciprocal circumstances, set forth in
 11 Section 303.

12 13 **TITLE IV—ALLOCATION OF REVENUE**

14 **SEC. 401.—** *INTENTIONALLY LEFT BLANK*

15 *(A political question left to legislators:*

16 *– see Explanatory Memo, Part VI (Section 14) for options and recommendations;*

17 *– see also separate Memo posted to www.popdiesel.com/news.php titled, “A Formula for*
 18 *Allocating All Revenue as Carbon Dividends.”*

19 20 **TITLE V—OTHER PROVISIONS**

21 **SEC. 501.—PAYABLE TAX.**

22 All taxes and fees payable under the America First, Comprehensive, Worldwide, Fossil
 23 Fuel Tax Act of 2022 shall be payable to the Internal Revenue Service.

24 **SEC. 502.—RECORD KEEPING.**

25 A RESPONSIBLE PARTY shall be required to keep records of the carbon MOLE
 26 FRACTION and the source location and quantity of fuel, BIOMASS and energy extracted or

1 harvested for a period of five (5) years. A copy of these records shall pass along with an
2 allotment of fuel up its chain of custody to the point of sale or combustion.

3 **SEC. 503.—PENALTIES.**

4 Unless a fine or penalty is stated elsewhere in this America First, Comprehensive,
5 Worldwide, Fossil Fuel Tax Act of 2022 for conduct violating it, a breach of its provisions by a
6 person acting within the territory of the United States shall incur a civil fine and if the person's
7 misconduct was wilful, a punitive monetary penalty and shall render the person guilty of a Class
8 1 Felony. The Department of Justice by its United States Attorney shall have authority to
9 prosecute civilly or criminally, as well as to seek temporary and permanent injunctive relief to
10 prevent harm.

11 **SEC. 504.—INTERPRETATION.**

12 In the case that any provision of this America First, Comprehensive, Worldwide, Fossil
13 Fuel Tax Act of 2022 comes to be interpreted or construed by any court, the court shall construe
14 the provision, and the Act in general, in such a way as to give the strongest possible reading,
15 interpretation and construction favoring a strict and heavy responsibility and burden imposed on
16 any RESPONSIBLE PARTY, and favoring the broadest possible definition of who is a
17 RESPONSIBLE PARTY, in favor of swifter and more complete termination of the contribution
18 by human activity to the accumulation of GREENHOUSE GAS emissions in the earth's
19 atmosphere, without relying on any tax credit, fiscal subsidy, emissions offset, or special
20 regulatory allowance or favor, even if such credit, subsidy, offset or regulatory allowance or
21 favor is specifically adopted by or included in this Act.

22 **SEC. 505.—SEVERABILITY.**

23 If any provision of the America First, Comprehensive, Worldwide, Fossil Fuel Tax Act of
24 2022 or amendment made by the America First, Comprehensive, Worldwide, Fossil Fuel Tax
25 Act of 2022, or the application of a provision or amendment to any person or circumstance, is
26 held to be unconstitutional, the remainder of the America First, Comprehensive, Worldwide,
27 Fossil Fuel Tax Act of 2022 and amendments made by it, and the application of the provisions
28 and amendment to any person or circumstance, shall not be affected by the holding.