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(Original Signature of Member)

119TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to expand and improve the advanced manufacturing production tax credit.

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IN THE HOUSE OF REPRESENTATIVES

Mr. MOORE of Utah introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Internal Revenue Code of 1986 to expand and improve the advanced manufacturing production tax credit.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Critical Mineral and  
5 Extraction Tax Parity Act”.

1 **SEC. 2. EXPANSION AND IMPROVEMENT OF ADVANCE MAN-**  
2 **UFACTURING PRODUCTION TAX CREDIT.**

3 (a) INCLUSION OF ADDITIONAL CRITICAL MIN-  
4 ERALS.—

5 (1) IN GENERAL.—Section 45X(c)(6) of the In-  
6 ternal Revenue Code of 1986 is amended—

7 (A) in subparagraph (AA), by inserting  
8 after clause (xxv) the following new clauses:

9 “(xxvi) Boron.

10 “(xxvii) Copper.

11 “(xxviii) Lead.

12 “(xxix) Metallurgical coal.

13 “(xxx) Potash.

14 “(xxxi) Rhenium.

15 “(xxxii) Silicon.

16 “(xxxiii) Silver.

17 “(xxxiv) Uranium.”, and

18 (B) by adding at the end the following new  
19 subparagraph:

20 “(BB) PHOSPHATE.—Phosphate which  
21 is—

22 “(i) converted to—

23 “(I) phosphoric acid, or

24 “(II) phosphorus with a min-  
25 imum purity of 99 percent phosphorus  
26 by mass, or

1                   “(ii) phosphate rock purified to a min-  
2                   imum purity of 20 percent phosphorus  
3                   pentoxide by mass suitable for use in the  
4                   production of phosphoric acid.”.

5                   (2) EFFECTIVE DATE.—The amendments made  
6                   by this subsection shall apply to minerals produced  
7                   and sold after December 31, 2025.

8                   (b) INCLUSION OF ORE EXTRACTION COSTS IN AD-  
9                   VANCED MANUFACTURING PRODUCTION CREDIT.—

10                   (1) IN GENERAL.—Section 45X(d) of the Inter-  
11                   nal Revenue Code of 1986 is amended—

12                   (A) by redesignating the paragraph (4) re-  
13                   lating to restrictions relating to prohibited for-  
14                   eign entities as paragraph (5), and

15                   (B) by adding at the end the following new  
16                   paragraph:

17                   “(6) EXTRACTION COSTS FOR CRITICAL MIN-  
18                   ERALS.—

19                   “(A) IN GENERAL.—In the case of a tax-  
20                   payer that extracts ore that is subsequently re-  
21                   fined into an applicable critical mineral, costs  
22                   incurred by the taxpayer with respect to such  
23                   extraction shall be treated as costs described in  
24                   subsection (b)(1)(M) for purposes of this sec-  
25                   tion if such taxpayer submits to the Secretary

1 a certification from the refiner of such ore  
2 that—

3 “(i) such ore has been refined into an  
4 applicable critical mineral, and

5 “(ii) such refiner sold the applicable  
6 critical mineral to an unrelated person (as  
7 defined in subsection (a)(3)) and such sale  
8 occurred in a trade or business of the re-  
9 finer.

10 “(B) CERTAIN FOREIGN ORE NOT ELIGI-  
11 BLE.—The cost of extracting ore shall be taken  
12 into account under subparagraph (A) only if—

13 “(i) such ore was extracted in the  
14 United States, or

15 “(ii) in the case of ore extracted out-  
16 side of the United States—

17 “(I) the ore is of a type not ex-  
18 tracted in the United States in com-  
19 mercial quantities, and

20 “(II) the ore was not extracted in  
21 a foreign country of concern (as de-  
22 fined in section 10612(a)(1) of the  
23 Research and Development, Competi-  
24 tion, and Innovation Act (42 U.S.C.  
25 19221(a)(1))).

1                   “(C) REGULATIONS PREVENTING DOUBLE  
2                   BENEFIT.—The Secretary shall issue such regu-  
3                   lations or guidance as may be necessary or ap-  
4                   propriate to ensure that no costs which are  
5                   treated as costs described in subsection  
6                   (b)(1)(M) by reason of subparagraph (A) are  
7                   included, directly or indirectly, in the costs of  
8                   production of any applicable critical mineral by  
9                   any taxpayer except as provided by such sub-  
10                  paragraph.”.

11                  (2) EFFECTIVE DATE.—The amendments made  
12                  by this subsection shall apply to amounts paid or in-  
13                  curred after December 31, 2025.

14                  (c) REPEAL OF REDUCTION IN CREDIT AMOUNT FOR  
15                  METALLURGICAL COAL.—

16                  (1) IN GENERAL.—Section 45X(b)(1)(M) of the  
17                  Internal Revenue Code of 1986 is amended by strik-  
18                  ing “(2.5 percent in the case of metallurgical coal)”.

19                  (2) EFFECTIVE DATE.—The amendment made  
20                  by this subsection shall apply to minerals produced  
21                  and sold after December 31, 2025.