

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2224

To amend the Internal Revenue Code of 1986 to clarify that products derived from tar sands are crude oil for purposes of the Federal excise tax on petroleum, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2025

Ms. SCHAKOWSKY (for herself, Ms. ANSARI, Ms. BARRAGÁN, Mr. COHEN, Ms. NORTON, Ms. OCASIO-CORTEZ, Ms. TLAIB, and Ms. TOKUDA) introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 to clarify that products derived from tar sands are crude oil for purposes of the Federal excise tax on petroleum, and for other purposes.

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 “Tar Sands Tax Loop-  
5       hole Elimination Act”.

1 **SEC. 2. CLARIFICATION OF TAR SANDS AS CRUDE OIL FOR**  
2 **EXCISE TAX PURPOSES.**

3 (a) IN GENERAL.—Paragraph (1) of section 4612(a)  
4 of the Internal Revenue Code of 1986 is amended to read  
5 as follows:

6 “(1) CRUDE OIL.—The term ‘crude oil’ includes  
7 crude oil condensates, natural gasoline, any bitumen  
8 or bituminous mixture, any oil derived from a bitu-  
9 men or bituminous mixture (including oil derived  
10 from tar sands), and any oil derived from kerogen-  
11 bearing sources (including oil derived from oil  
12 shale).”.

13 (b) REGULATORY AUTHORITY TO ADDRESS OTHER  
14 TYPES OF CRUDE OIL AND PETROLEUM PRODUCTS.—  
15 Subsection (a) of section 4612 of such Code is amended  
16 by adding at the end the following new paragraph:

17 “(10) REGULATORY AUTHORITY TO ADDRESS  
18 OTHER TYPES OF CRUDE OIL AND PETROLEUM  
19 PRODUCTS.—Under such regulations as the Sec-  
20 retary may prescribe, the Secretary may include as  
21 crude oil or as a petroleum product subject to tax  
22 under section 4611, any fuel feedstock or finished  
23 fuel product customarily transported by pipeline,  
24 vessel, railcar, or tanker truck if the Secretary deter-  
25 mines that—

1           “(A) the classification of such fuel feed-  
2           stock or finished fuel product is consistent with  
3           the definition of oil under the Oil Pollution Act  
4           of 1990, and

5           “(B) such fuel feedstock or finished fuel  
6           product is produced in sufficient commercial  
7           quantities as to pose a significant risk of haz-  
8           ard in the event of a discharge.”.

9           (c) TECHNICAL AMENDMENT.—Paragraph (2) of sec-  
10          tion 4612(a) of such Code is amended by striking “from  
11          a well located”.

12          (d) EFFECTIVE DATE.—The amendments made by  
13          this section shall take effect on the date of the enactment  
14          of this Act.

○