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119TH CONGRESS
1ST SESSION

H. R. 516

To amend the Internal Revenue Code of 1986 to modify the railroad track maintenance credit.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2025

Mr. KELLY of Pennsylvania (for himself and Mr. THOMPSON of California) introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to modify the railroad track maintenance credit.

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

SECTION 1. MODIFICATION OF RAILROAD TRACK MAINTENANCE CREDIT.

(a) INCREASE IN CREDIT AMOUNT.—

(1) IN GENERAL.—Section 45G(b)(1)(A) of the Internal Revenue Code of 1986 is amended by striking “$3,500” and inserting “$6,100”.

(2) INFLATION ADJUSTMENT.—Section 45G of such Code is amended by adding at the end the following new subsection:

"(f) INFLATION ADJUSTMENT.—

"(1) IN GENERAL.—In the case of a taxable year beginning after 2025, the $6,100 amount in subsection (b)(1)(A) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.

"(2) ROUNDING.—Any increase determined under paragraph (1) which is not a multiple of $100 shall be rounded to the nearest multiple of $100.".

(b) QUALIFIED RAILROAD TRACK MAINTENANCE EXPENDITURES.—Section 45G(d) of the Internal Revenue Code of 1986 is amended by striking "January 1, 2015" and inserting "January 1, 2024".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2024.

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