

[4830-01-U]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

**Publication of Inflation Adjustment Factor,
Nonconventional Source Fuel Credit,
and Reference Price for Calendar Year 1999**

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Publication of inflation adjustment factor, nonconventional source fuel credit, and reference price for calendar year 1999 as required by section 29 of the Internal Revenue Code (26 U.S.C. section 29).

SUMMARY: The inflation adjustment factor, nonconventional source fuel credit, and reference price are used in determining the tax credit allowable on the production of fuel from nonconventional sources under section 29.

DATES: The 1999 inflation adjustment factor, nonconventional source fuel credit, and reference price apply to qualified fuels sold during calendar year 1999.

INFLATION FACTOR: The inflation factor is calculated using GNP Implicit Price Deflators as computed and published by the Department of Commerce. The inflation factor for 1999, which is smaller than the factor published for 1998, reflects a comprehensive revision in 1999 of the national income and product accounts by the Department of Commerce. The inflation factor for calendar year 1999 is 2.0013.

CREDIT: The nonconventional source fuel credit for calendar year 1999 is \$6.00 per barrel-of-oil equivalent of qualified fuels.

PRICE: The reference price for calendar year 1999 is \$15.56. Because this reference price does not exceed \$23.50 multiplied by the inflation adjustment factor, the phaseout of credit provided for in section 29(b)(1) does not occur for any qualified fuel sold in calendar year 1999.

FOR FURTHER INFORMATION CONTACT:

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