

116TH CONGRESS
1ST SESSION

S. 1197

To amend the Internal Revenue Code of 1986 to establish a tax credit for construction of new all-electric homes.

IN THE SENATE OF THE UNITED STATES

APRIL 11, 2019

Mr. MARKEY introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to establish a tax credit for construction of new all-electric homes.

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 “All-Electric Homes Act
5 of 2019”.

6 **SEC. 2. CREDIT FOR NEW ALL-ELECTRIC HOMES.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by adding at the end the following new
10 section:

1 **“SEC. 45T. NEW ALL-ELECTRIC HOME CREDIT.**

2 “(a) ALLOWANCE OF CREDIT.—

3 “(1) IN GENERAL.—For purposes of section 38,
4 in the case of an eligible contractor, the new all-elec-
5 tric home credit for the taxable year is the applicable
6 amount for each qualified new all-electric home
7 which is—

8 “(A) constructed by the eligible contractor,
9 and

10 “(B) acquired by a person from such eligi-
11 ble contractor for use as a residence during the
12 taxable year.

13 “(2) APPLICABLE AMOUNT.—For purposes of
14 paragraph (1), the applicable amount is an amount
15 equal to—

16 “(A) in the case of a qualified new all-elec-
17 tric home which is a single-family residence,
18 \$5,000, and

19 “(B) in the case of a qualified new all-elec-
20 tric home which is a multi-family residence, an
21 amount equal to the product of—

22 “(i) \$1750, multiplied by

23 “(ii) the total number of residential
24 units.

25 “(b) DEFINITIONS.—For purposes of this section—

1 “(1) ELIGIBLE CONTRACTOR.—The term ‘eligi-
2 ble contractor’ means the person who constructed
3 the qualified new all-electric home.

4 “(2) QUALIFIED NEW ALL-ELECTRIC HOME.—
5 The term ‘qualified new all-electric home’ means a
6 dwelling unit—

7 “(A) located in the United States,

8 “(B) the construction of which is substan-
9 tially completed after the date of the enactment
10 of this section,

11 “(C) for which all appliances and mechan-
12 ical systems are powered solely by electricity,

13 “(D) which does not have any gas line or
14 gas service to such dwelling unit, and

15 “(E) which meets the highest energy effi-
16 ciency standards for the United States (as de-
17 termined by the Secretary, in consultation with
18 the Secretary of Energy and the Administrator
19 of the Environmental Protection Agency) for
20 purposes of the building envelope and any ap-
21 pliances and mechanical systems within the
22 dwelling unit.

23 “(3) CONSTRUCTION.—The term ‘construction’
24 includes substantial reconstruction and rehabilita-
25 tion.

1 “(4) ACQUIRE.—The term ‘acquire’ includes
2 purchase.

3 “(c) BASIS ADJUSTMENT.—For purposes of this sub-
4 title, if a credit is allowed under this section in connection
5 with any expenditure for any property, the increase in the
6 basis of such property which would (but for this sub-
7 section) result from such expenditure shall be reduced by
8 the amount of the credit so determined.

9 “(d) COORDINATION WITH INVESTMENT CREDIT.—
10 For purposes of this section, expenditures taken into ac-
11 count under section 47 or 48(a) shall not be taken into
12 account under this section.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) Section 38(b) of the Internal Revenue Code
15 of 1986 is amended by striking “plus” at the end of
16 paragraph (31), by striking the period at the end of
17 paragraph (32) and inserting “, plus”, and by add-
18 ing at the end the following new paragraph:

19 “(33) the new all-electric home credit deter-
20 mined under section 45T(a).”.

21 (2) Section 196(c) of such Code is amended by
22 striking “and” at the end of paragraph (13), by
23 striking the period at the end of paragraph (14) and
24 inserting “, and”, and by adding at the end the fol-
25 lowing new paragraph:

1 “(15) the new all-electric home credit deter-
2 mined under section 45T(a).”.

3 (3) Section 1016(a) of such Code is amended
4 by striking “and” at the end of paragraph (37), by
5 striking the period at the end of paragraph (38) and
6 inserting “, and”, and by inserting after paragraph
7 (38) the following new paragraph:

8 “(39) to the extent provided in section 45T(c),
9 in the case of amounts with respect to which a credit
10 has been allowed under section 45T.”.

11 (4) The table of sections for subpart D of part
12 IV of subchapter A of chapter 1 of such Code is
13 amended by inserting after the item relating to sec-
14 tion 45S the following new item:

“45T. New All-Electric Home Credit.”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to qualified new all-electric homes
17 acquired after December 31, 2019, in taxable years ending
18 after such date.

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