

119TH CONGRESS  
1ST SESSION

# H. R. 5686

To amend the Internal Revenue Code of 1986 to allow a credit against tax for expenses relating to the purchase of battery detectors, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 3, 2025

Mr. NORCROSS introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against tax for expenses relating to the purchase of battery detectors, 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 “Battery Fire Preven-  
5 tion Act”.

6 **SEC. 2. TAX CREDIT FOR BATTERY DETECTORS.**

7 (a) ESTABLISHMENT OF CREDIT.—

1           (1) IN GENERAL.—Subpart D of part IV of  
2           subchapter A of chapter 1 of the Internal Revenue  
3           Code of 1986 is amended by adding at the end the  
4           following new section:

5   **“SEC. 45BB. CREDIT FOR BATTERY DETECTORS.**

6           “(a) IN GENERAL.—For purposes of section 38, the  
7           battery detector credit determined under this section for  
8           any taxable year is the amount equal to 30 percent of the  
9           qualified battery detector expenses paid or incurred by the  
10          taxpayer during the taxable year.

11          “(b) QUALIFIED BATTERY DETECTOR EXPENSES.—  
12          The term ‘qualified battery detector expenses’ means, with  
13          respect to any taxpayer, amounts paid or incurred for the  
14          purchase of any device—

15                 “(1) which uses X-ray technology, artificial in-  
16                 telligence, radio-frequency identification, or other  
17                 proven technology to detect batteries,

18                 “(2) the original use of which begins with such  
19                 taxpayer, and

20                 “(3) which is used by such taxpayer in the  
21                 trade or business of recycling.

22          “(c) DENIAL OF DOUBLE BENEFIT.—In the case of  
23          any qualified battery detector expenses with respect to  
24          which credit is allowed under subsection (a)—

1 “(1) no other credit or deduction shall be al-  
 2 lowed for, or by reason of, any such expense to the  
 3 extent of the amount of such credit, and

4 “(2) the basis of any property shall be reduced  
 5 by the amount of such credit to the extent that such  
 6 expenses were taken into account in determining  
 7 such basis.”.

8 (2) CLERICAL AMENDMENT.—The table of sec-  
 9 tions for subpart D of part IV of subchapter A of  
 10 chapter 1 of such Code is amended by adding at the  
 11 end the following new item:

“45BB. Credit for battery detectors.”.

12 (b) CREDIT MADE PART OF GENERAL BUSINESS  
 13 CREDIT.—Section 38(b) of such Code is amended by strik-  
 14 ing “plus” at the end of paragraph (40), by striking the  
 15 period at the end of paragraph (41) and inserting “, plus”,  
 16 and by adding at the end the following new paragraph:

17 “(42) the battery detector credit determined  
 18 under section 45BB.”.

19 (c) EFFECTIVE DATE.—The amendments made by  
 20 this section shall apply to taxable years beginning after  
 21 December 31, 2025.

22 **SEC. 3. IMPOSITION OF TAX ON SALES OF BATTERIES.**

23 (a) IN GENERAL.—Chapter 32 of the Internal Rev-  
 24 enue Code of 1986 is amended by inserting after sub-  
 25 chapter D the following new subchapter:

1                   **“Subchapter E—Other Items**

“Sec. 4191. Battery tax.

2           **“SEC. 4191. BATTERY TAX.**

3           “‘There is hereby imposed on the sale of any battery  
4 by the manufacturer, producer, or importer a tax equal  
5 to 5 percent of the price for which so sold.’”.

6           (b) CLERICAL AMENDMENT.—The table of sub-  
7 chapters for chapter 32 of such Code is amended by in-  
8 serting after the item relating to subchapter D the fol-  
9 lowing new item:

“SUBCHAPTER E—OTHER ITEMS”.

10          (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to sales made after December 31,  
12 2025.

13   **SEC. 4. LITHIUM BATTERY BUY-BACK TRUST FUND.**

14          (a) IN GENERAL.—Subchapter A of Chapter 98 of  
15 the Internal Revenue Code of 1986 is amended by adding  
16 at the end the following new section:

17   **“SEC. 9512. LITHIUM BATTERY BUY-BACK TRUST FUND.**

18          “(a) CREATION OF TRUST FUND.—There is hereby  
19 established in the Treasury of the United States a trust  
20 fund to be known as the ‘Lithium Battery Buy-back Trust  
21 Fund’, consisting of such amounts as may be appropriated  
22 to such Trust Fund as provided in this section.

23          “(b) TRANSFER TO TRUST FUND OF AMOUNTS  
24 EQUIVALENT TO CERTAIN TAXES.—There are hereby ap-

1   appropriated to the Lithium Battery Buy-back Trust Fund  
2   amounts equivalent to the taxes received in the Treasury  
3   under section 4191.

4       “(c) EXPENDITURES FROM TRUST FUND.—Amounts  
5   in the Lithium Battery Buy-back Trust Fund shall be  
6   available, without further appropriation, to the Secretary  
7   of Energy to carry out the National Battery Recycling  
8   Program described in section 5 of the Battery Fire Pre-  
9   vention Act.”.

10       (b) CLERICAL AMENDMENT.—The table of sections  
11   for subchapter A of chapter 98 of such Code is amended  
12   by adding at the end the following new item:

“9512. Lithium Battery Buy-back Trust Fund.”.

13       (c) EFFECTIVE DATE.—The amendments made by  
14   this section shall apply to taxes received after December  
15   31, 2025.

16   **SEC. 5. NATIONAL BATTERY RECYCLING PROGRAM.**

17       (a) ESTABLISHMENT.—Not later than 5 years after  
18   the date of enactment of this Act, the Secretary of Energy  
19   and the Administrator of the Environmental Protection  
20   Agency shall jointly issue a rule to establish a program  
21   to recover and recycle used lithium batteries, to be known  
22   as the National Battery Recycling Program, under  
23   which—

24           (1) the Secretary shall identify and approve fa-  
25       cilities that recycle lithium batteries and make pub-

1       licly available a list of such approved facilities, which  
2       shall include each facility that is a recipient of a  
3       grant to recycle lithium batteries under section  
4       40207 of the Infrastructure Investment and Jobs  
5       Act (42 U.S.C. 18741); and

6           (2) the Secretary and Administrator shall  
7       award grants, on a competitive basis, to such ap-  
8       proved facilities to establish and implement a system  
9       for the acceptance and collection of used lithium bat-  
10      teries, under which system such a facility may offer  
11      a financial incentive to any individual who turns in  
12      a used lithium battery to the facility.

13      (b) FUNDING.—In carrying out the National Battery  
14      Recycling Program, the Secretary of Energy may only use  
15      amounts from the Lithium Battery Buy-back Trust Fund  
16      established under section 9512 of the Internal Revenue  
17      Code of 1986, as added by section 4.

18      (c) PURCHASE OF LITHIUM BATTERIES FROM AP-  
19      PROVED FACILITIES.—Each head of a Federal agency  
20      who purchases a lithium battery shall, to the maximum  
21      extent possible, prioritize purchasing such lithium battery  
22      from a facility approved pursuant to subsection (a)(1).

1       (d) LITHIUM BATTERY DEFINED.—In this section,  
2 the term “lithium battery” means a lithium metal battery  
3 or a lithium-ion battery.

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