

110TH CONGRESS
1ST SESSION

H. R. 3534

To amend the Internal Revenue Code of 1986 to allow individuals and businesses a credit against income tax for the purchase of Energy Star compliant clothes washers and dryers.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2007

Mr. FERGUSON 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 allow individuals and businesses a credit against income tax for the purchase of Energy Star compliant clothes washers and dryers.

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 “Energy Efficient Appli-
5 ance Tax Credit for Washers and Dryers Act of 2007”.

1 **SEC. 2. CREDIT AGAINST INCOME TAX FOR PURCHASE OF**
2 **ENERGY STAR COMPLIANT CLOTHES WASH-**
3 **ERS AND DRYERS.**

4 (a) IN GENERAL.—Subpart B of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 (relating to other credits) is amended by adding at
7 the end the following new section:

8 **“SEC. 30D. ENERGY STAR COMPLIANT CLOTHES WASHERS**
9 **AND DRYERS.**

10 “(a) ALLOWANCE OF CREDIT.—There shall be al-
11 lowed as a credit against the tax imposed by this chapter
12 for the taxable year an amount equal to 25 percent of the
13 cost of Energy Star compliant clothes washers and dryers
14 placed in service by the taxpayer during the taxable year.

15 “(b) LIMITATION.—The credit allowed by subsection
16 (a) for each Energy Star compliant clothes washer or
17 dryer shall not exceed \$500.

18 “(c) ENERGY STAR COMPLIANT CLOTHES WASHERS
19 AND DRYERS.—For purposes of this section, the term
20 ‘Energy Star compliant clothes washer or dryer’ means
21 any equipment—

22 “(1) which meets the requirements for the En-
23 ergy Star program which are in effect at the time
24 the equipment is placed in service by the taxpayer,

25 “(2) the original use of which begins with the
26 taxpayer, and

1 “(3) which is designed primarily to—

2 “(A) wash cloth items using water, or

3 “(B) dry cloth items washed with water.

4 “(d) APPLICATION WITH OTHER CREDITS.—

5 “(1) BUSINESS CREDIT TREATED AS PART OF
6 GENERAL BUSINESS CREDIT.—So much of the credit
7 which would be allowed under subsection (a) for any
8 taxable year (determined without regard to this sub-
9 section) that is attributable to property of a char-
10 acter subject to an allowance for depreciation shall
11 be treated as a credit listed in section 38(b) for such
12 taxable year (and not allowed under subsection (a)).

13 “(2) PERSONAL CREDIT.—The credit allowed
14 under subsection (a) (after the application of para-
15 graph (1)) for any taxable year shall not exceed the
16 excess (if any) of—

17 “(A) the regular tax liability (as defined in
18 section 26(b)) reduced by the sum of the credits
19 allowable under subpart A and sections 27, 30,
20 30B, and 30C, over

21 “(B) the tentative minimum tax for the
22 taxable year.

23 “(e) OTHER RULES TO APPLY.—Rules similar to the
24 rules of paragraphs (2), (3), (4), and (5) of section 30C(e)
25 shall apply for purposes of this section.

1 “(f) BASIS ADJUSTMENT.— For purposes of this sub-
2 title, the basis of any property shall be reduced by the
3 amount of any credit allowed under this section with re-
4 spect to such property.

5 “(g) TERMINATION.—This section shall not apply to
6 property placed in service after December 31, 2016.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) Subsection (a) of section 1016 of such Code
9 is amended by striking “and” at the end of para-
10 graph (36), by striking the period at the end of
11 paragraph (37) and inserting “, and”, and by add-
12 ing at the end the following new paragraph:

13 “(38) to the extent provided in section
14 30D(f).”.

15 (2) The table of sections for subpart B of part
16 IV of subchapter A of chapter 1 of such Code is
17 amended by adding at the end the following new
18 item:

“Sec. 30D. Energy Star compliant clothes washers and dryers.”.

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to property placed in service after
21 the date of the enactment of this Act.

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