

110TH CONGRESS  
1ST SESSION

# H. R. 3823

To amend the Internal Revenue Code of 1986 to allow individuals a credit against income tax for the purchase of Energy Star compliant refrigerators and freezers.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2007

Mr. FERGUSON 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 allow individuals a credit against income tax for the purchase of Energy Star compliant refrigerators and freezers.

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 Refrigerators and Freezers Act of  
6 2007”.

1 **SEC. 2. CREDIT AGAINST INCOME TAX FOR PURCHASE OF**  
2 **ENERGY STAR COMPLIANT REFRIGERATORS**  
3 **AND FREEZERS.**

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 REFRIGERATORS**  
9 **AND FREEZERS.**

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 any Energy Star compliant refrigerator or freezer  
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 refrigerator or freezer  
17 shall not exceed \$500.

18 “(c) ENERGY STAR COMPLIANT REFRIGERATOR OR  
19 FREEZER.—For purposes of this section, the term ‘En-  
20 ergy Star compliant refrigerator or freezer’ means any re-  
21 frigerator or freezer—

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

1           “(2) the original use of which begins with the  
2 taxpayer.

3           “(d) APPLICATION WITH OTHER CREDITS.—

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

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

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

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

22           “(e) OTHER RULES TO APPLY.—Rules similar to the  
23 rules of paragraphs (2), (3), (4), and (5) of section 30C(e)  
24 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 refrigerators and freezers.”.

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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