

110TH CONGRESS
2D SESSION

H. R. 5597

To amend the Internal Revenue Code of 1986 to modify the new energy efficient home credit and to provide a credit against tax for the purchase of certain energy efficient homes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2008

Ms. BEAN 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 modify the new energy efficient home credit and to provide a credit against tax for the purchase of certain energy efficient 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 “Next Generation
5 Homes Act of 2008”.

6 **SEC. 2. MODIFICATION OF NEW ENERGY EFFICIENT HOME**
7 **CREDIT.**

8 (a) IN GENERAL.—

1 (1) MODIFICATION OF CREDIT AMOUNT.—Para-
2 graph (2) of section 45L(a) of the Internal Revenue
3 Code of 1986 (relating to applicable amount) is
4 amended to read as follows:

5 “(2) APPLICABLE AMOUNT.—For purposes of
6 paragraph (1), the applicable amount is an amount
7 equal to—

8 “(A) in the case of an Energy Star Home,
9 \$700,

10 “(B) in the case of an Energy Plus Home,
11 \$2,000,

12 “(C) in the case of an Energy Saver
13 Home, \$5,000, and

14 “(D) in the case of Zero Energy Home,
15 \$10,000.”.

16 (2) MODIFICATION OF ENERGY SAVING RE-
17 QUIREMENT.—Subsection (c) of section 45L of such
18 Code is amended to read as follows:

19 “(c) ENERGY SAVINGS REQUIREMENTS.—

20 “(1) IN GENERAL.—A dwelling unit meets the
21 energy savings requirements of this subsection if
22 such unit is described in paragraph (2).

23 “(2) APPLICABLE DWELLING UNITS.—For pur-
24 poses of this section—

1 “(A) ENERGY STAR HOME.—The term
2 ‘Energy Star Home’ means a dwelling unit
3 which meets the requirements established by
4 the Administrator of the Environmental Agency
5 under the Energy Star Labeled Homes pro-
6 gram.

7 “(B) ENERGY PLUS HOME.—The term
8 ‘Energy Plus Home’ means a dwelling unit
9 which is certified under the most recent Mort-
10 gage Industry National Home Energy Rating
11 Systems Standards as having a relative energy
12 use index value of more than 50, but not more
13 than 70.

14 “(C) ENERGY SAVER HOME.—The term
15 ‘Energy Saver Home’ means a dwelling unit
16 which meets the requirements of subparagraph
17 (B) applied by substituting ‘0’ for ‘50’ and ‘50’
18 for ‘70’.

19 “(D) ZERO ENERGY HOME.—The term
20 ‘Zero Energy Home’ means a dwelling unit
21 which meets the requirements of subparagraph
22 (B) applied by substituting ‘0’ for ‘more than
23 50, but not more than 70’.”.

1 (3) MODIFICATION OF TERMINATION.—Sub-
 2 section (g) of section 45L of such Code (relating to
 3 termination) is amended to read as follows:

4 “(g) TERMINATION.—This section shall not apply to
 5 any qualified new energy efficient home acquired after—

6 “(1) in the case of an Energy Star Home, De-
 7 cember 31, 2011,

8 “(2) in the case of a Energy Star Home, De-
 9 cember 31, 2013,

10 “(3) in the case of a Energy Plus Home, De-
 11 cember 31, 2015, and

12 “(4) in the case of a Zero Energy Home, De-
 13 cember 31, 2018.”.

14 (b) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply to new energy efficient homes ac-
 16 quired after December 31, 2008.

17 **SEC. 3. ENERGY EFFICIENT HOME PURCHASE.**

18 (a) IN GENERAL.—Part VII of subchapter B of chap-
 19 ter 1 of the Internal Revenue Code of 1986 (relating addi-
 20 tional itemized deductions for individuals) is amended by
 21 redesignating section 224 as section 225 and by inserting
 22 after section 223 the following new section:

1 **“SEC. 224. ENERGY EFFICIENT HOME PURCHASE DEDUC-**
2 **TION.**

3 “(a) IN GENERAL.—There shall be allowed as a de-
4 duction for the taxable year an amount equal to the dif-
5 ference of—

6 “(1) the amount paid or incurred by the tax-
7 payer for the taxable year in acquiring or con-
8 structing an energy efficient dwelling unit, over

9 “(2) the acquisition or construction cost, as the
10 case may be, of a comparable dwelling unit.

11 “(b) DEFINITIONS AND SPECIAL RULES.—For pur-
12 poses of this section—

13 “(1) ENERGY EFFICIENT DWELLING UNIT.—
14 The term ‘energy efficient dwelling unit’ means any
15 dwelling unit described in section 45L(c)(2) which is
16 used as the principal residence (within the meaning
17 of section 121) of the taxpayer during the taxable
18 year.

19 “(2) COST OF A COMPARABLE DWELLING
20 UNIT.—The Secretary shall by regulation prescribe
21 such methods for determining the acquisition or con-
22 struction cost of a comparable dwelling unit as are
23 necessary to carry out the purposes of this section.

24 “(3) RECAPTURE.—The Secretary shall by reg-
25 ulation provide for such recapture of the benefit of
26 any deduction allowed under subsection (a) as may

1 be necessary to prevent abuse of this section. Such
2 rules shall provide exceptions to such recapture as
3 may be appropriate, including (if applicable) in the
4 case of a sale or exchange by reason of a change in
5 place of employment, health, or, to the extent pro-
6 vided in regulations, unforeseen circumstances.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 for part VII of subchapter B of chapter 1 of such Code
9 is amended by striking the item relating to section 224
10 and inserting the following new items:

“Sec. 224. Energy efficient home purchase deduction.

“Sec. 225. Cross reference.”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 the date of the enactment of this Act.

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