

114TH CONGRESS
1ST SESSION

H. R. 3479

To amend the Internal Revenue Code of 1986 to provide a credit for developing and implementing plans to address non-point source pollution affecting nationally significant estuaries.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 10, 2015

Mr. MACARTHUR (for himself, Mr. LOBIONDO, and Mr. SMITH of New Jersey) 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 provide a credit for developing and implementing plans to address non-point source pollution affecting nationally significant estuaries.

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 “Save our Bays Act”.

5 **SEC. 2. PURPOSE.**

6 The purpose of this Act is to reduce non-point source
7 pollution of any estuary in the National Estuary Program
8 by promoting investment in any of the following:

1 (1) Restoring and improving soil functionality,
 2 including by increasing water infiltration and water
 3 conservation.

4 (2) Increasing storm water retention onsite.

5 (3) Reducing impervious cover via usage of per-
 6 vious materials in patios, walkways, and other sur-
 7 faces.

8 (4) Establishing a 10 to 25 foot wide buffer of
 9 native plants on private property which abuts any
 10 water body or wetland.

11 **SEC. 3. NON-POINT SOURCE POLLUTION.**

12 (a) IN GENERAL.—Subpart B of part IV of sub-
 13 chapter A of chapter 1 of the Internal Revenue Code of
 14 1986 is amended by adding at the end the following new
 15 section:

16 **“SEC. 30E. NON-POINT SOURCE POLLUTION.**

17 “(a) GENERAL RULE.—There shall be allowed as a
 18 credit against the tax imposed by this chapter an amount
 19 equal to the sum of—

20 “(1) the non-point source pollution planning
 21 credit, plus

22 “(2) the non-point source pollution plan imple-
 23 mentation credit.

24 “(b) NON-POINT SOURCE POLLUTION PLANNING
 25 CREDIT.—For purposes of this section, the non-point

1 source pollution planning credit is an amount equal to
2 \$500 for developing a plan to address non-point source
3 pollution carried by surface water runoff from eligible
4 property that is owned by the taxpayer and certified by
5 the County Soil Conversation District (in such manner as
6 the County Soil Conversation District may determine) in
7 which the real property is located, and

8 “(c) NON-POINT SOURCE POLLUTION PLAN IMPLE-
9 MENTATION CREDIT.—The non-point source pollution
10 plan implementation credit is an amount equal to the less-
11 er of—

12 “(1) the amount paid or incurred for imple-
13 menting the plan referred to in subsection (b)(1) to
14 mitigate non-point source pollution on eligible prop-
15 erty that is owned by the taxpayer and certified by
16 the County Soil Conversation District in which the
17 real property is located, or

18 “(2) \$2,500.

19 “(d) ELIGIBLE PROPERTY.—For purposes of this
20 section, the term ‘eligible property’ means real property
21 which is located in the United States within the bound-
22 aries of an estuary of national significance, as designated
23 under section 320 of the Federal Water Pollution Control
24 Act (33 U.S.C. 1330), and from which there is non-point
25 source pollution.

1 “(e) SPECIAL RULES.—For purposes of this sec-
2 tion—

3 “(1) APPLICATION TO NONCONTIGUOUS PAR-
4 CELS.—Each parcel of noncontiguous real property
5 shall be treated as separate.

6 “(2) DENIAL OF DOUBLE BENEFIT.—

7 “(A) INCOME TAX.—No deduction or cred-
8 it shall be allowed under any other provision of
9 this chapter for amounts paid or incurred to de-
10 velop or implement a non-point source pollution
11 plan to the extent of amounts allowed as a
12 credit under this section relating to such plan.

13 “(B) OTHER.—The amount of expenses
14 otherwise taken into account under subsection
15 (a) with respect to a taxpayer for a taxable year
16 shall be reduced (before the application of sub-
17 sections (b), (c), and (d)) by the aggregate
18 amounts paid received by the taxpayer in any
19 calendar year in which the taxable year of the
20 taxpayer ends under title XII of the Food Secu-
21 rity Act of 1985 (16 U.S.C. 3801 et seq.).

22 “(3) ELECTION.—This section shall not apply
23 to a taxpayer for any taxable year if such taxpayer
24 elects to have this section not apply for such taxable
25 year.

1 “(f) APPLICATION WITH OTHER CREDITS.—

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

10 “(2) PERSONAL CREDIT.—For purposes of this
11 title, the credit allowed under subsection (a) for any
12 taxable year (determined after application of para-
13 graph (1)) shall be treated as a credit allowable
14 under subpart A for such taxable year.

15 “(g) TERMINATION.—This section shall not apply to
16 taxable years beginning after December 31, 2020.”.

17 (b) ALLOWANCE AS GENERAL BUSINESS CREDIT.—
18 Section 38(b) of such Code is amended by striking “plus”
19 at the end of paragraph (35), by striking the period at
20 the end of paragraph (36) and inserting “, plus”, and by
21 adding at the end the following:

22 “(37) the portion of the non-point source pollu-
23 tion credit to which section 30E(f)(1) applies.”.

24 (c) CLERICAL AMENDMENT.—The table of contents
25 for subpart B of part IV of subchapter A of chapter 1

1 of such Code is amended by adding at the end the fol-
2 lowing new item:

“Sec. 30E. Non-point source pollution.”.

3 (d) REPORT.—

4 (1) EVALUATION.—Not later than 1 year after
5 the date of the enactment of this Act, and every year
6 thereafter for as long as section 30E of the Internal
7 Revenue Code of 1986 (as added by this section) is
8 in effect, the Administrator of the Environmental
9 Protection Agency and the Director of the U. S. Ge-
10 ological Survey, acting through a joint working
11 group which the Administrator and the Director
12 shall establish, shall evaluate the effectiveness of the
13 credit allowed under such section 30E in achieving
14 the purposes specified in section 2 and submit a re-
15 port on such study and evaluation, together with
16 recommendations relating thereto, to the committees
17 of Congress specified in paragraph (2).

18 (2) COMMITTEES.—The committees specified in
19 this paragraph are the Committee on Ways and
20 Means and the Committee on Natural Resources of
21 the House of Representatives and the Committee on
22 Environment and Public Works and the Committee
23 on Finance of the Senate.

1 (e) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2015.

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