

116TH CONGRESS
2D SESSION

S. _____

To amend the Internal Revenue Code of 1986 to provide for an extension of the energy credit, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. CORTEZ MASTO (for herself and Ms. ROSEN) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to provide for an extension of the energy credit, 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 “Solar and Geothermal
5 Tax Credit Expansion Act”.

6 **SEC. 2. EXTENSION AND PHASEOUT OF ENERGY CREDIT.**

7 (a) EXTENSIONS.—Section 48 of the Internal Rev-
8 enue Code of 1986 is amended—

9 (1) in subsection (a)—

1 (A) in paragraph (2)(A)(i)(II), by striking
2 “January 1, 2022” and inserting “January 1,
3 2027”; and

4 (B) in paragraph (3)(A)—

5 (i) in clause (ii), by striking “January
6 1, 2022” and inserting “January 1,
7 2027”; and

8 (ii) in clause (vii), by striking “Janu-
9 ary 1, 2022” and inserting “January 1,
10 2027”; and

11 (2) in subsection (c)—

12 (A) in paragraph (1)(D), by striking “Jan-
13 uary 1, 2022” and inserting “January 1,
14 2027”;

15 (B) in paragraph (2)(D), by striking “Jan-
16 uary 1, 2022” and inserting “January 1,
17 2027”;

18 (C) in paragraph (3)(A)(iv), by striking
19 “January 1, 2022” and inserting “January 1,
20 2027”; and

21 (D) in paragraph (4)(C), by striking “Jan-
22 uary 1, 2022” and inserting “January 1,
23 2027”.

24 (b) PHASEOUTS.—

1 (1) SOLAR ENERGY PROPERTY.—Section
2 48(a)(6) of the Internal Revenue Code of 1986 is
3 amended—

4 (A) in subparagraph (A)—

5 (i) by striking “January 1, 2022, the
6 energy percentage” and inserting “Janu-
7 ary 1, 2027, the energy percentage”;

8 (ii) in clause (i), by striking “after
9 December 31, 2019, and before January 1,
10 2021” and inserting “after December 31,
11 2024, and before January 1, 2026”; and

12 (iii) in clause (ii), by striking “after
13 December 31, 2020, and before January 1,
14 2022” and inserting “after December 31,
15 2025, and before January 1, 2027”; and

16 (B) in subparagraph (B), by striking “be-
17 gins before January 1, 2022, and which is not
18 placed in service before January 1, 2024” and
19 inserting “begins before January 1, 2027, and
20 which is not placed in service before January 1,
21 2029”.

22 (2) FIBER-OPTIC SOLAR, QUALIFIED FUEL
23 CELL, AND QUALIFIED SMALL WIND ENERGY PROP-
24 erty.—Section 48(a)(7) of such Code is amended—

25 (A) in subparagraph (A)—

1 (i) in clause (i), by striking “after De-
2 cember 31, 2019, and before January 1,
3 2021” and inserting “after December 31,
4 2024, and before January 1, 2026”; and

5 (ii) in clause (ii), by striking “after
6 December 31, 2020, and before January 1,
7 2022” and inserting “after December 31,
8 2025, and before January 1, 2027”; and

9 (B) in subparagraph (B), by striking
10 “January 1, 2024” and inserting “January 1,
11 2029”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to periods after December 31,
14 2019.

15 **SEC. 3. ENHANCING THE ENERGY CREDIT FOR MICROTUR-**
16 **BINES, COMBINED HEAT AND POWER SYS-**
17 **TEMS, GEOTHERMAL HEAT PUMPS, AND GEO-**
18 **THERMAL ENERGY.**

19 (a) IN GENERAL.—Section 48(a)(2)(A)(i) of the In-
20 ternal Revenue Code of 1986 is amended—

21 (1) by striking subclause (I),

22 (2) by redesignating subclause (II), as amended
23 by section 2 of this Act, as subclause (I),

24 (3) by inserting after subclause (I), as redesign-
25 nated by paragraph (2), the following:

1 “(II) energy property described
2 in paragraph (3)(A)(iii) but only with
3 respect to property the construction of
4 which begins before January 1, 2027,
5 and”,

6 (4) by amending subclause (III) to read as fol-
7 lows:

8 “(III) energy property described
9 in clause (ii), (iv), (v), (vi), or (vii) of
10 paragraph (3)(A), and” and

11 (5) by striking subclause (IV).

12 (b) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to periods after December 31,
14 2019, in taxable years ending after such date, under rules
15 similar to the rules of section 48(m) of the Internal Rev-
16 enue Code of 1986 (as in effect on the day before the date
17 of the enactment of the Revenue Reconciliation Act of
18 1990).

19 **SEC. 4. EXTENSION AND PHASEOUT OF CREDIT FOR RESI-**
20 **DENTIAL ENERGY EFFICIENT PROPERTY.**

21 (a) APPLICABLE PERCENTAGE.—Subsection (g) of
22 section 25D of the Internal Revenue Code of 1986 is
23 amended—

24 (1) in paragraph (1), by striking “January 1,
25 2020” and inserting “January 1, 2025”;

1 (2) in paragraph (2), by striking “after Decem-
2 ber 31, 2019, and before January 1, 2021” and in-
3 serting “after December 31, 2024, and before Janu-
4 ary 1, 2026”; and

5 (3) in paragraph (3), by striking “after Decem-
6 ber 31, 2020, and before January 1, 2022” and in-
7 serting “after December 31, 2025, and before Janu-
8 ary 1, 2027”.

9 (b) TERMINATION.—Subsection (h) of section 25D of
10 such Code is amended by striking “December 31, 2021”
11 and inserting “December 31, 2026”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to property placed in service after
14 December 31, 2019.