

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4856

To amend the Internal Revenue Code of 1986 to allow a credit to homeowners for Energy Star qualified homes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 2, 2006

Ms. BEAN 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 a credit to homeowners for Energy Star qualified 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 “Energy Star Homes  
5 Act of 2006”.

6       **SEC. 2. ENERGY STAR HOME CREDIT.**

7       (a) IN GENERAL.—Subpart D of part IV of sub-  
8 chapter A of chapter 1 of the Internal Revenue Code (re-  
9 lating to business related credits) is amended by inserting  
10 after section 45M the following new section:

1 **“SEC. 45N. ENERGY STAR HOME CREDIT.**

2 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
3 tion 38, in the case of a homeowner, the Energy Star  
4 home credit for the taxable year is \$10,000 for each En-  
5 ergy Star qualified home which—

6 “(1) is owned by the homeowner for use as a  
7 residence by such homeowner during the taxable  
8 year, and

9 “(2) meets the energy saving requirements of  
10 subsection (c) for the first time during such taxable  
11 year.

12 “(b) DEFINITIONS.—For purposes of this section—

13 “(1) ENERGY STAR QUALIFIED HOME.—The  
14 term ‘Energy Star qualified home’ means a dwelling  
15 unit—

16 “(A) located in the United States,

17 “(B) the construction of which is substan-  
18 tially completed after the date of the enactment  
19 of this section, and

20 “(C) which meets the energy saving re-  
21 quirements of subsection (c).

22 “(2) CONSTRUCTION.—The term ‘construction’  
23 includes substantial reconstruction and rehabilita-  
24 tion.

25 “(c) ENERGY SAVING REQUIREMENTS.—A dwelling  
26 unit meets the energy saving requirements of this sub-

1 section if such unit meets the requirements established by  
2 the Administrator of the Environmental Protection Agen-  
3 cy under the Energy Star Labeled Homes program as in  
4 effect on the date of the enactment of this section.

5 “(d) BASIS ADJUSTMENT.—For purposes of this sub-  
6 title, if a credit is allowed under this section in connection  
7 with any expenditure for any property, the increase in the  
8 basis of such property which would (but for this sub-  
9 section) result from such expenditure shall be reduced by  
10 the amount of the credit so determined.

11 “(e) TERMINATION.—This section shall not apply to  
12 an Energy Star qualified home which meets the energy  
13 saving requirements of subsection (c) for the first time  
14 during a taxable year beginning after December 31,  
15 2008.”.

16 (b) CONFORMING AMENDMENTS.—

17 (1) Section 38(b) of such Code is amended by  
18 striking “and” at the end of paragraph (29), by  
19 striking the period at the end of paragraph (30) and  
20 inserting “, and”, and by adding at the end the fol-  
21 lowing:

22 “(31) the Energy Star home credit determined  
23 under section 45N(a).”.

24 (2) The table of sections for subpart D of part  
25 IV of subchapter A of chapter 1 of such Code is

1 amended by inserting after the item relating to sec-  
2 tion 45M the following new item:

“Sec. 45N. Energy Star home credit.”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to taxable years beginning after  
5 December 31, 2005.

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