

110TH CONGRESS
1ST SESSION

H. R. 4571

To amend the Internal Revenue Code of 1986 to allow individuals a credit against income tax for home water conservation.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

Mr. BACA 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 allow individuals a credit against income tax for home water conservation.

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 “Household Water Con-
5 servation Challenge Act of 2007”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

8 (1) Water is indispensable for life, not only for
9 drinking water, but also for raising crops and ani-
10 mals for food.

1 (2) The world water crisis is one of the largest
 2 public health issues of our time. Nearly 1.1 billion
 3 people (roughly 20 percent of the world’s popu-
 4 lation) lack access to safe drinking water.

5 (3) Americans use more water per day per per-
 6 son—nearly 1,300 gallons—than anyone else in the
 7 world.

8 (4) Maximizing water efficiency efforts across
 9 the United States is a faster and cheaper approach
 10 than investing billions of dollars in water supply
 11 projects that will take years to build and come at a
 12 great cost to the environment and economy.

13 **SEC. 3. CREDIT FOR HOME WATER CONSERVATION.**

14 (a) IN GENERAL.—Subpart A of part IV of sub-
 15 chapter A of chapter 1 of the Internal Revenue Code of
 16 1986 (relating to nonrefundable personal credits) is
 17 amended by inserting after section 25D the following new
 18 section:

19 **“SEC. 25E. HOME WATER CONSERVATION.**

20 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
 21 dividual, there shall be allowed as a credit against the tax
 22 imposed by this chapter the amount of—

23 “(1) \$150 for the first home water conservation
 24 year beginning after the date of the enactment of
 25 this section, and

1 “(2) \$150 for the first taxable year thereafter
2 if the requirements of subsection (b) would be met
3 if ‘second preceding calendar year’ were substituted
4 for ‘preceding calendar year’ in paragraph (1) there-
5 of.

6 “(b) WATER CONSERVATION YEAR.—For purposes of
7 this section, the term ‘water conservation year’ means any
8 taxable year if—

9 “(1) according to the metered water usage at
10 the principal place of abode of the taxpayer, the
11 amount of water consumed at such abode during the
12 calendar year ending with or within such taxable
13 year is not more than 60 percent of the water con-
14 sumed at such abode during the preceding calendar
15 year, and

16 “(2) it is established to the satisfaction of the
17 Secretary that such water reduction is the result of
18 water conservation efforts of the taxpayer and not
19 the result of the weather, changes in the number or
20 ages of individuals occupying the residence, govern-
21 mental restrictions on water use, or other factors
22 specified by the Secretary.

23 “(c) OTHER CONDITIONS.—This section shall apply
24 only if—

1 “(1) the taxpayer has the same principal place
2 of abode throughout each of the calendar years in-
3 volved in determining the credit under paragraph (1)
4 or (2) of subsection (a), as the case may be,

5 “(2) such place of abode is located in the
6 United States,

7 “(3) water is provided to such place of abode by
8 a utility or governmental entity and is metered by
9 such utility or entity for billing purposes, and

10 “(4) the bill for water use at such place of
11 abode is billed directly to the taxpayer by such util-
12 ity or entity.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 for such subpart A is amended by inserting after the item
15 relating to section 25D the following new item:

 “Sec. 25E. Home water conservation.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to reductions in water usage in
18 calendar years ending with or within taxable years begin-
19 ning after the date of the enactment of this Act.

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