

114TH CONGRESS
1ST SESSION

H. R. 4175

To amend the Internal Revenue Code of 1986 to allow a deduction for conservation expenditures to reduce groundwater consumption.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 3, 2015

Mr. CRAWFORD 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 a deduction for conservation expenditures to reduce groundwater consumption.

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 “Groundwater Con-
5 servation Incentive Act of 2015”.

6 **SEC. 2. REDUCTION IN GROUNDWATER CONSUMPTION.**

7 (a) IN GENERAL.—Section 175 of the Internal Rev-
8 enue Code of 1986 is amended by inserting “or for the
9 reduction of groundwater consumption,” after “land used

1 in farming,” both places it occurs in subsections (a) and
2 (c)(1).

3 (b) EXPENDITURES.—Section 175(c)(1) of such Code
4 is amended—

5 (1) by striking “and ponds,” in the first sen-
6 tence and inserting “reservoirs, impoundments,
7 ponds, tail-water recovery systems and other water
8 retention or water control structures,” and

9 (2) by striking “Such term shall include ex-
10 penditures paid or incurred for the purpose of” in
11 the second sentence and inserting “Such term shall
12 include expenditures paid or incurred for the reduc-
13 tion of ground water use and the conversion from
14 ground water use to surface water use. Such term
15 shall also include expenditures paid or incurred for
16 the purpose of”.

17 (c) LIMITATION RELATING TO CONSERVATION
18 PLAN.—Section 175(c)(3)(A) of such Code is amended—

19 (1) in the matter preceding paragraph (1) by
20 striking “soil conservation plan” and inserting “soil
21 or water conservation plan or practice”,

22 (2) in clause (i)—

23 (A) by striking “the plan” and all that fol-
24 lows through “Agriculture or the” and inserting
25 “a plan (if any) approved by the Natural Re-

1 sources Conservation Service of the Department
2 of Agriculture or a”, and

3 (B) by inserting “taxpayer’s” before
4 “land”,

5 (3) by amending clause (ii) to read as follows:

6 “(ii) a soil or water conservation plan
7 of a comparable State or local agency, or”,
8 and

9 (4) by striking “or” at the end of clause (i) and
10 inserting after clause (ii) the following:

11 “(iii) any conservation practice ap-
12 proved in the Field Office Technical Guide
13 of the Natural Resources Conservation
14 Service for the State in which the tax-
15 payer’s land is located if the purpose for
16 such practice is consistent with one of the
17 purposes identified in subsection (a).”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 the date of the enactment of this Act.

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