

114TH CONGRESS
2D SESSION

H. R. 5040

To amend the Internal Revenue Code of 1986 to increase for 2 years the residential energy credit and the investment tax credit with respect to solar property with a nameplate capacity of less than 20 kilowatts.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2016

Mr. POLIS 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 increase for 2 years the residential energy credit and the investment tax credit with respect to solar property with a nameplate capacity of less than 20 kilowatts.

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 Expansion of
5 Distributed Generation Exponentially Act” or the “Solar
6 EDGE Act”.

1 **SEC. 2. TWO-YEAR INCREASE FOR CERTAIN SOLAR PROP-**
2 **ERTY EXPENDITURES.**

3 (a) IN GENERAL.—Subsection (e) of section 25D of
4 the Internal Revenue Code of 1986 is amended by adding
5 at the end the following new paragraph:

6 “(9) TWO-YEAR INCREASE FOR CERTAIN SOLAR
7 PROPERTY EXPENDITURES.—In the case of qualified
8 solar electric property expenditures for taxable years
9 beginning during 2017 or 2018 with respect to prop-
10 erty which has a nameplate capacity of less than 20
11 kilowatts (or thermal energy equivalent), subsection
12 (a)(1) shall be applied by substituting ‘50 percent’
13 for ‘the applicable percentage’.”

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to taxable years beginning after
16 December 31, 2016.

17 **SEC. 3. TWO-YEAR INCREASE FOR CERTAIN SOLAR PROP-**
18 **ERTY.**

19 (a) IN GENERAL.—Subsection (c) of section 48 of the
20 Internal Revenue Code of 1986 is amended by adding at
21 the end the following new paragraph:

22 “(5) TWO-YEAR INCREASE FOR CERTAIN SOLAR
23 PROPERTY.—In the case of property—

24 “(A) described in subsection (a)(3)(A)(i),

25 “(B) the construction of which begins dur-
26 ing 2017 or 2018, and

1 “(C) which has a nameplate capacity of
2 less than 20 kilowatts (or thermal energy equiv-
3 alent),
4 the energy percentage shall be 50 percent.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply to property construction of which
7 begins after December 31, 2016.

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