

116TH CONGRESS
1ST SESSION

H. R. 5160

To amend the Internal Revenue Code of 1986 to modify the energy efficient commercial buildings deduction.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2019

Mr. BLUMENAUER (for himself, Mr. SUOZZI, Ms. SÁNCHEZ, Mr. DANNY K. DAVIS of Illinois, Mr. HORSFORD, Mr. BEYER, Mr. PANETTA, Mr. SCHNEIDER, Mr. EVANS, Mr. DOGGETT, and Ms. MOORE) 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 modify the energy efficient commercial buildings deduction.

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 Efficient Com-
5 mercial Buildings Act of 2019”.

1 **SEC. 2. ENERGY EFFICIENT COMMERCIAL BUILDINGS DE-**
2 **DUCTION.**

3 (a) EXTENSION.—Section 179D(h) of the Internal
4 Revenue Code of 1986 is amended by striking “December
5 31, 2017” and inserting “December 31, 2024”.

6 (b) INCREASE IN THE MAXIMUM AMOUNT OF DE-
7 Duction.—

8 (1) IN GENERAL.—Section 179D(b) of such
9 Code is amended by striking “\$1.80” and inserting
10 “\$3”.

11 (2) INFLATION ADJUSTMENT.—Section 179D of
12 such Code is amended by adding at the end the fol-
13 lowing new subsection:

14 “(i) INFLATION ADJUSTMENT.—In the case of a tax-
15 able year beginning after 2020, each dollar amount in sub-
16 section (b) or subsection (d)(1)(A) shall be increased by
17 an amount equal to—

18 “(1) such dollar amount, multiplied by

19 “(2) the cost-of-living adjustment determined
20 under section 1(f)(3) for the calendar year in which
21 the taxable year begins, determined by substituting
22 ‘calendar year 2019’ for ‘calendar year 2016’ in sub-
23 paragraph (A)(ii) thereof.”.

24 (3) CONFORMING AMENDMENT.—Section
25 179D(d)(1)(A) of such Code is amended by striking

1 “by substituting ‘\$.60’ for ‘\$1.80’” and inserting
2 “by substituting ‘\$1’ for ‘\$3’”.

3 (c) LIMIT ON DEDUCTION LIMITED TO THREE-YEAR
4 PERIOD.—Section 179D(b)(2) of such Code is amended
5 by striking “for all prior taxable years” and inserting “for
6 the 3 years immediately preceding such taxable year”.

7 (d) UPDATE OF STANDARDS.—

8 (1) ASHRAE STANDARDS.—Section 179D(c) of
9 such Code is amended—

10 (A) in paragraphs (1)(B)(ii) and (1)(D),
11 by striking “Standard 90.1–2007” and insert-
12 ing “Reference Standard 90.1”, and

13 (B) by amending paragraph (2) to read as
14 follows:

15 “(2) REFERENCE STANDARD 90.1.—The term
16 ‘Reference Standard 90.1’ means, with respect to
17 property, the Standard 90.1 most recently adopted
18 (as of the date that is 2 years before the date that
19 construction of such property begins) by the Amer-
20 ican Society of Heating, Refrigerating, and Air Con-
21 ditioning Engineers and the Illuminating Engineer-
22 ing Society of North America.”.

23 (2) CALIFORNIA NONRESIDENTIAL ALTER-
24 NATIVE CALCULATION METHOD APPROVAL MAN-

1 UAL.—Section 179D(d)(2) of such Code is amended
2 by striking “2005” and inserting “2019”.

3 (e) CHANGE IN EFFICIENCY STANDARDS.—Section
4 179D(c)(1)(D) of such Code is amended by striking “50”
5 and inserting “30”.

6 (f) PAYMENT FOR PUBLIC PROPERTY.—Section
7 179D(d)(4) of such Code is amended to read as follow:

8 “(4) PAYMENT FOR PUBLIC PROPERTY.—

9 “(A) IN GENERAL.—In the case of energy
10 efficient commercial building property placed in
11 service by a State or local government or a po-
12 litical subdivision thereof, such government or
13 subdivision shall be treated as making a pay-
14 ment against the tax imposed by subtitle A for
15 the taxable year equal to 10 percent of the
16 amount allowable as a deduction under sub-
17 section (a) with respect to such property.

18 “(B) TIMING.—The payment described in
19 subparagraph (A) shall be treated as made
20 on—

21 “(i) in the case of a State or local
22 government or a political subdivision there-
23 of for which no return is required under
24 section 6011 or 6033(a), the later of the
25 date that a return would be due under sec-

1 tion 6033(a) if such government or sub-
2 division were described in that section or
3 the date on which such government or sub-
4 division submits a claim for credit or re-
5 fund (at such time and in such manner as
6 the Secretary shall provide), and

7 “(ii) in any other case, the later of the
8 due date of the return of tax for the tax-
9 able year or the date on which such return
10 is filed.”.

11 (g) DEADWOOD.—Section 179D of such Code, as
12 amended by subsection (a), is amended by striking sub-
13 section (f) and redesignating subsections (g) and (h) as
14 subsections (f) and (g), respectively.

15 (h) EFFECTIVE DATE.—

16 (1) IN GENERAL.—Except as provided by para-
17 graph (2), amendments made by this section shall
18 apply to property placed in service after December
19 31, 2019.

20 (2) EXTENSION.—The amendment made by
21 subsection (a) shall apply to property placed in serv-
22 ice after December 31, 2017.

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