

111TH CONGRESS
1ST SESSION

H. R. 4085

To amend the Internal Revenue Code of 1986 to allow an investment credit for property used to fabricate solar energy property, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 17, 2009

Mr. THOMPSON of California (for himself, Mr. DOGGETT, Mr. CAMP, Mr. TIBERI, Mrs. BONO MACK, Ms. ESHOO, Mr. HONDA, Ms. GIFFORDS, Mr. McCAUL, Mr. SMITH of Texas, Mr. MEEKS of New York, Mr. CARTER, Ms. LINDA T. SÁNCHEZ of California, Mr. SCHAUER, and Ms. ZOE LOFGREN of California) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to allow an investment credit for property used to fabricate solar energy property, and for other purposes.

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. INVESTMENT CREDIT FOR EQUIPMENT USED**
4 **TO FABRICATE SOLAR ENERGY PROPERTY.**

5 (a) IN GENERAL.—Subparagraph (A) of section
6 48(a)(3) of the Internal Revenue Code of 1986 (defining

1 energy property) is amended by striking “or” at the end
2 of clause (vi), by adding “or” at the end of clause (vii),
3 and inserting after clause (vii) the following new clause:

4 “(viii) equipment used to fabricate
5 property described in clause (i) or para-
6 graph (1) or (2) of section 25D(d), includ-
7 ing solar cells and modules that convert
8 sunlight to electricity, but only with re-
9 spect to periods ending before January 1,
10 2017.”.

11 (b) CREDIT PERCENTAGE.—Clause (i) of section
12 48(a)(2)(A) of such Code is amended by striking “and”
13 at the end of subclause (III) and by inserting after sub-
14 clause (IV) the following new subclause:

15 “(V) energy property described in
16 paragraph (3)(A)(viii), and”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to periods after the date of the
19 enactment of this Act, under rules similar to the rules of
20 section 48(m) of the Internal Revenue Code of 1986 (as
21 in effect on the day before the date of the enactment of
22 the Revenue Reconciliation Act of 1990).

1 **SEC. 2. SOLAR ENERGY PROPERTY FABRICATION EQUIP-**
2 **MENT TREATED AS SPECIFIED ENERGY**
3 **PROPERTY FOR ENERGY PROPERTY GRANTS**
4 **IN LIEU OF CREDITS.**

5 (a) **ADDITIONAL SPECIFIED ENERGY PROPERTY.**—
6 Paragraph (3) of section 1603(d) of the American Recov-
7 ery and Reinvestment Tax Act of 2009 (relating to grants
8 of specified energy property in lieu of tax credits) is
9 amended by striking “described in clause (i) or (ii)” and
10 inserting “described in clause (i), (ii) or (viii)”.

11 (b) **PLACED IN SERVICE LIMITATION.**—Paragraph
12 (2) of section 1603(a) of the American Recovery and Rein-
13 vestment Tax Act of 2009 is amended by striking “but
14 only if the construction of such property began during
15 2009 or 2010.” and inserting the following: “but only if—

16 “(A) the construction of such property
17 began during 2009 or 2010, or

18 “(B) in the case of property described in
19 section 48(a)(3)(A)(viii) of the Internal Rev-
20 enue Code of 1986, is acquired by the taxpayer
21 pursuant to a written binding contract which
22 was entered into during 2009 or 2010.”.

23 (c) **EFFECTIVE DATE.**—The amendments made by
24 this section shall take effect as if included in the enact-

1 ment of section 1603 of the American Recovery and Rein-
2 vestment Tax Act of 2009.

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