To amend the Internal Revenue Code of 1986 to provide for an investment tax credit related to the production of electricity from offshore wind.

IN THE SENATE OF THE UNITED STATES

Mr. MARKEY introduced the following bill; which was read twice and referred to the Committee on ________

A BILL

To amend the Internal Revenue Code of 1986 to provide for an investment tax credit related to the production of electricity from offshore wind.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3
4 SECTION 1. SHORT TITLE.
5 This Act may be cited as the “Offshore Wind Incentives for New Development Act” or the “Offshore WIND Act”.
6
7 SEC. 2. ENERGY CREDIT FOR QUALIFIED OFFSHORE WIND
8 FACILITIES.
9 (a) IN GENERAL.—Subsection (a) of section 48 of the
10 Internal Revenue Code is amended—
(1) in paragraph (2)(A)(i)—

(A) in subclause (III), by striking “and” at the end; and

(B) by adding at the end the following new subclause:

“(V) qualified offshore wind property, and”; and

(2) in paragraph (3)(A)—

(A) in clause (vi), by striking “or” at the end;

(B) in clause (vii), by adding “or” at the end; and

(C) by adding at the end the following new clause:

“(viii) qualified offshore wind property, but only with respect to property the construction of which begins before January 1, 2026.”.

(b) QUALIFIED OFFSHORE WIND PROPERTY.—Subsection (e) of section 48 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(5) QUALIFIED OFFSHORE WIND PROPERTY.—
“(A) IN GENERAL.—The term ‘qualified offshore wind property’ means an offshore facility using wind to produce electricity.

“(B) OFFSHORE FACILITY.—The term ‘offshore facility’ means any facility located in the inland navigable waters of the United States, including the Great Lakes, or in the coastal waters of the United States, including the territorial seas of the United States, the exclusive economic zone of the United States, and the outer Continental Shelf of the United States.

“(C) EXCEPTION FOR QUALIFIED SMALL WIND ENERGY PROPERTY.—The term ‘qualified offshore wind property’ shall not include any property described in paragraph (4).

“(D) SPECIAL RULE.—In the case of any property described in subparagraph (A) which was placed in service after December 31, 2016, and for which a credit under this section was allowed by reason of subsection (a)(5) in any taxable year which ends before or includes the date of the enactment of the Offshore WIND Act, notwithstanding any election under such subsection (a)(5), such property may be treated
at the election of the taxpayer as qualified off-
shore wind property (and not as qualified prop-
erty which is part of a qualified investment
credit facility) for—

“(i) taxable years including or begin-
ning after such date of enactment, and

“(ii) any taxable years ending before
such date of enactment, including by filing
an amended return.

Notwithstanding section 6501, an amended re-
turn may be filed for purposes of clause (ii) for
any taxable year described in such clause.”.

(c) EFFECTIVE DATE.—The amendments made by
this section shall take effect on the date of the enactment
of this Act.