

117TH CONGRESS
1ST SESSION

H. R. 1684

To amend the Internal Revenue Code of 1986 to provide tax credits for energy storage technologies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2021

Mr. MICHAEL F. DOYLE of Pennsylvania (for himself, Mr. BUCHANAN, and Mr. BLUMENAUER) 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 provide tax credits for energy storage technologies, 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. SHORT TITLE.**

4 This Act may be cited as the “Energy Storage Tax
5 Incentive and Deployment Act of 2021”.

6 **SEC. 2. ENERGY CREDIT FOR ENERGY STORAGE TECH-**
7 **NOLOGIES.**

8 (a) IN GENERAL.—Subclause (II) of section
9 48(a)(2)(A)(i) of the Internal Revenue Code of 1986 is

1 amended by striking “paragraph (3)(A)(i)” and inserting
2 “clause (i) or (ix) of paragraph (3)(A)”.

3 (b) ENERGY STORAGE TECHNOLOGIES.—Subpara-
4 graph (A) of section 48(a)(3) of the Internal Revenue
5 Code of 1986 is amended by striking “or” at the end of
6 clause (vii), by adding “or” at the end of clause (viii), and
7 by adding at the end the following new clause:

8 “(ix) equipment which receives, stores,
9 and delivers energy using batteries, com-
10 pressed air, pumped hydropower, hydrogen
11 storage (including electrolysis), thermal en-
12 ergy storage, regenerative fuel cells, fly-
13 wheels, capacitors, superconducting mag-
14 nets, or other technologies identified by the
15 Secretary in consultation with the Sec-
16 retary of Energy, and which has a capacity
17 of not less than 5 kilowatt hours,”.

18 (c) PHASEOUT OF CREDIT.—Paragraph (6) of sec-
19 tion 48(a) of the Internal Revenue Code of 1986 is amend-
20 ed—

21 (1) by striking “ENERGY” in the heading and
22 inserting “AND ENERGY STORAGE”; and

23 (2) by striking “paragraph (3)(A)(i)” both
24 places it appears and inserting “clause (i) or (ix) of
25 paragraph (3)(A)”.

1 (d) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to property placed in service after
 3 December 31, 2020.

4 **SEC. 3. RESIDENTIAL ENERGY EFFICIENT PROPERTY**
 5 **CREDIT FOR BATTERY STORAGE TECH-**
 6 **NOLOGY.**

7 (a) IN GENERAL.—Subsection (a) of section 25D of
 8 the Internal Revenue Code of 1986 is amended—

9 (1) by striking “and” at the end of paragraph
 10 (5); and

11 (2) by adding at the end the following new
 12 paragraph:

13 “(7) the qualified battery storage technology ex-
 14 penditures,”.

15 (b) QUALIFIED BATTERY STORAGE TECHNOLOGY
 16 EXPENDITURE.—Subsection (d) of section 25D of the In-
 17 ternal Revenue Code of 1986 is amended by adding at the
 18 end the following new paragraph:

19 “(7) QUALIFIED BATTERY STORAGE TECH-
 20 NOLOGY EXPENDITURE.—The term ‘qualified bat-
 21 tery storage technology expenditure’ means an ex-
 22 penditure for battery storage technology which—

23 “(A) is installed on or in connection with
 24 a dwelling unit located in the United States and
 25 used as a residence by the taxpayer, and

1 “(B) has a capacity of not less than 3 kilo-
2 watt hours.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to expenditures paid or incurred
5 in taxable years beginning after December 31, 2020.

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