

117TH CONGRESS
1ST SESSION

H. R. 3180

To amend the Internal Revenue Code of 1986 to provide an elective payment for energy property and electricity produced from certain renewable resources, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 13, 2021

Mr. BLUMENAUER (for himself, Mr. LEVIN of California, Mr. BEYER, Ms. DELBENE, Mr. GOMEZ, Mr. HORSFORD, Mr. LARSON of Connecticut, Mr. PANETTA, and Ms. ROSS) 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 an elective payment for energy property and electricity produced from certain renewable resources, 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 “Renewable Energy In-
5 vestment Act”.

1 **SEC. 2. ELECTIVE PAYMENT FOR ENERGY PROPERTY AND**
 2 **ELECTRICITY PRODUCED FROM CERTAIN RE-**
 3 **NEWABLE RESOURCES, ETC.**

4 (a) IN GENERAL.—Subchapter B of chapter 65 of the
 5 Internal Revenue Code of 1986 is amended by adding at
 6 the end the following new section:

7 **“SEC. 6431. ELECTIVE PAYMENT FOR ENERGY PROPERTY**
 8 **AND ELECTRICITY PRODUCED FROM CER-**
 9 **TAIN RENEWABLE RESOURCES, ETC.**

10 “(a) ENERGY PROPERTY.—In the case of a taxpayer
 11 making an election under this subsection (at such time
 12 and in such manner as the Secretary may provide) with
 13 respect to any portion of an applicable credit, such tax-
 14 payer shall be treated as making a payment against the
 15 tax imposed by subtitle A for the taxable year equal to
 16 the amount of such portion.

17 “(b) APPLICATION TO PARTNERSHIPS AND S COR-
 18 PORATIONS.—

19 “(1) IN GENERAL.—In the case of any applica-
 20 ble credit determined with respect to any qualified
 21 resources, qualified facility, or energy property held
 22 directly by a partnership or S corporation, if such
 23 partnership or S corporation makes an election
 24 under this subsection (in such manner as the Sec-
 25 retary may provide) with respect to any portion of
 26 such credit—

1 “(A) the Secretary shall make a payment
2 to such partnership or S corporation equal to
3 the amount of such portion,

4 “(B) subsection (e)(1) shall be applied
5 with respect to such credit before determining
6 any partner’s distributive share, or share-
7 holder’s pro rata share, of such credit, and

8 “(C) any amount excluded from gross in-
9 come by reason of subsection (e)(2) shall be
10 treated as tax exempt income for purposes of
11 sections 705 and 1366.

12 “(2) COORDINATION WITH APPLICATION AT
13 PARTNER OR SHAREHOLDER LEVEL.—In the case of
14 any partnership or S corporation, subsection (a)
15 shall be applied at the partner or shareholder level
16 after application of paragraph (1)(B).

17 “(3) IRREVOCABLE ELECTION.—Any election
18 under this subsection shall be made not later than
19 the due date (including extensions of time) for the
20 partnership or S corporation return for the taxable
21 year for which the applicable credit is determined.

22 Any such election, once made, shall be irrevocable.

23 “(c) APPLICATION TO GOVERNMENTAL ENTITIES.—

24 In the case of an election under this section—

1 “(1) any State or local government, or a polit-
2 ical subdivision thereof, or

3 “(2) an Indian tribal government (within the
4 meaning of section 139E),

5 shall not fail to be treated as a taxpayer for purposes of
6 this section and determining any applicable credit.

7 “(d) APPLICABLE CREDIT.—For purposes of this sec-
8 tion, the term ‘applicable credit’ means each of the fol-
9 lowing credits determined with respect to the taxpayer:

10 “(1) The energy credit under section 48.

11 “(2) The renewable electricity production credit
12 under section 45.

13 “(e) SPECIAL RULES.—

14 “(1) DENIAL OF DOUBLE BENEFIT.—Solely for
15 purposes of section 38, in the case of a taxpayer
16 making an election under this section with respect to
17 any applicable credit, such credit shall be reduced by
18 the amount of the portion of such credit with respect
19 to which the taxpayer makes such election.

20 “(2) EXCLUSION FROM GROSS INCOME.—Gross
21 income of the taxpayer shall be determined without
22 regard to this section.

23 “(3) TIMING OF DEEMED PAYMENT.—The pay-
24 ment described in subsection (a) shall be treated as
25 made on—

1 “(A) in the case of any government, or po-
2 litical subdivision, to which paragraph (1) ap-
3 plies and for which no return is required under
4 section 6011 or 6033(a), the later of the date
5 that a return would be due under section
6 6033(a) if such government or subdivision were
7 described in that section or the date on which
8 such government or subdivision submits a claim
9 for credit or refund (at such time and in such
10 manner as the Secretary shall provide), and

11 “(B) in any other case, the later of the due
12 date of the return of tax for the taxable year
13 or the date on which such return is filed.

14 “(4) WAIVER OF SPECIAL RULES.—In the case
15 of an election under this section, the determination
16 of any applicable credit shall be without regard to
17 paragraphs (3) and (4)(A)(i) of section 50(b).

18 “(5) TREATMENT OF PAYMENTS TO PARTNER-
19 SHIPS AND S CORPORATIONS.—For purposes of sec-
20 tion 1324 of title 31, United States Code, the pay-
21 ments under subsection (b)(1)(B) shall be treated in
22 the same manner as a refund due from a credit pro-
23 vision referred to in subsection (b)(2) of such sec-
24 tion.

1 “(f) REGULATIONS.—The Secretary shall issue such
 2 regulations or other guidance as may be necessary or ap-
 3 propriate to carry out the purposes of this section, includ-
 4 ing regulations or other guidance providing rules for deter-
 5 mining a partner’s distributive share of the tax exempt
 6 income described in subsection (b)(1)(C).”.

7 (b) CLERICAL AMENDMENT.—The table of sections
 8 for subchapter B of chapter 65 of such Code is amended
 9 by adding at the end the following new item:

“Sec. 6431. Elective payment for energy property and electricity produced from
 certain renewable resources, etc.”.

10 (c) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to property originally placed in
 12 service after the date of the enactment of this Act.

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