

117TH CONGRESS
1ST SESSION

H. R. 2406

To amend the Internal Revenue Code of 1986 to establish a tax credit for installation of regionally significant electric power transmission lines.

IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 2021

Mr. HORSFORD (for himself and Mrs. LEE of Nevada) 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 establish a tax credit for installation of regionally significant electric power transmission lines.

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 “Electric Power Infra-
5 structure Improvement Act”.

6 **SEC. 2. ESTABLISHMENT OF ELECTRIC POWER TRANS-**
7 **MISSION LINES.**

8 (a) IN GENERAL.—Subpart E of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by inserting after section 48C the fol-
 2 lowing new section:

3 **“SEC. 48D. QUALIFYING ELECTRIC POWER TRANSMISSION**
 4 **LINE CREDIT.**

5 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
 6 tion 46, the qualifying electric power transmission line
 7 credit for any taxable year is an amount equal to 30 per-
 8 cent of the qualified investment for such taxable year with
 9 respect to any qualifying electric power transmission line
 10 property of the taxpayer.

11 “(b) QUALIFYING INVESTMENT.—

12 “(1) IN GENERAL.—For purposes of subsection
 13 (a), the qualified investment for any taxable year is
 14 the basis of any qualifying electric power trans-
 15 mission line property placed in service by the tax-
 16 payer during such taxable year.

17 “(2) CERTAIN QUALIFIED PROGRESS EXPENDI-
 18 TURES RULES MADE APPLICABLE.—Rules similar to
 19 the rules of subsections (c)(4) and (d) of section 46
 20 (as in effect on the day before the enactment of the
 21 Revenue Reconciliation Act of 1990) shall apply for
 22 purposes of this section.

23 “(c) QUALIFYING ELECTRIC POWER TRANSMISSION
 24 LINE PROPERTY.—The term ‘qualifying electric power
 25 transmission line property’ means—

1 “(1) any overhead, submarine, or underground
2 transmission facility which—

3 “(A) is capable of transmitting electricity
4 at a voltage of not less than 275 kilovolts,

5 “(B) has a transmission capacity of not
6 less than 500 megawatts,

7 “(C) is an alternating current or direct
8 current transmission line, and

9 “(D) delivers power produced in either a
10 rural area or offshore, and

11 “(2) any conductors or cables, towers,
12 insulators, reactors, capacitors, circuit breakers,
13 static VAR compensators, static synchronous com-
14 pensators, power converters, transformers, syn-
15 chronous condensers, braking resistors, and any an-
16 cillary facilities and equipment necessary for the
17 proper operation of the facility described in para-
18 graph (1).

19 “(d) TERMINATION.—This section shall not apply to
20 any property placed in service after December 31, 2031.”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) Section 46 of the Internal Revenue Code of
23 1986 is amended—

24 (A) by striking “and” at the end of para-
25 graph (5),

1 (B) by striking the period at the end of
 2 paragraph (6) and inserting “, and”, and

3 (C) by adding at the end the following new
 4 paragraph:

5 “(7) the qualifying electric power transmission
 6 line credit.”.

7 (2) Section 49(a)(1)(C) of such Code is amend-
 8 ed—

9 (A) by striking “and” at the end of clause
 10 (iv),

11 (B) by striking the period at the end of
 12 clause (v) and inserting “, and”, and

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

15 “(vi) the basis of any qualifying elec-
 16 tric power transmission line property under
 17 section 48D.”.

18 (3) The table of sections for subpart E of part
 19 IV of subchapter A of chapter 1 of such Code is
 20 amended by inserting after the item relating to sec-
 21 tion 48C the following new item:

“Sec. 48D. Qualifying electric power transmission line credit.”.

22 (c) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to property placed in service after
 24 December 31, 2021.