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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to establish the energy burden
credit.

IN THE HOUSE OF REPRESENTATIVES

Mr. PAPPAS introduced the following bill; which was referred to the Committee
on _____

A BILL

To amend the Internal Revenue Code of 1986 to establish
the energy burden credit.

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 Burden Tax
5 Credit Act”.

6 **SEC. 2. ENERGY BURDEN CREDIT.**

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

1 1986 is amended by inserting after section 36B the fol-
2 lowing new section:

3 **“SEC. 36C. ENERGY BURDEN CREDIT.**

4 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
5 dividual, there shall be allowed as a credit against the tax
6 imposed by this chapter for the taxable year an amount
7 equal to 75 percent of qualified energy expenses of such
8 individual for such taxable year.

9 “(b) QUALIFIED ENERGY EXPENSES.—For purposes
10 of this section, the term ‘qualified energy expenses’ means
11 so much of the amounts paid or incurred by the taxpayer
12 for fuel or electricity to heat or cool the taxpayer’s prin-
13 cipal residence (as such term is used in section 121) as
14 exceeds 3 percent of the modified adjusted gross income
15 of such taxpayer for the taxable year, determined without
16 regard to any amount which is reimbursed or provided as
17 a subsidy by any governmental program.

18 “(c) LIMITATIONS.—

19 “(1) DOLLAR LIMITATION.—The credit allowed
20 under subsection (a) shall not exceed \$1,500
21 (\$3,000 in the case of a joint return).

22 “(2) INCOME LIMITATION.—No credit shall be
23 allowed under subsection (a) for the taxable year if
24 the modified adjusted gross income of the taxpayer

1 for the taxable year exceeds \$75,000 (\$150,000 in
2 the case of a joint return).

3 “(d) MODIFIED ADJUSTED GROSS INCOME.—For
4 purposes of this section, the term ‘modified adjusted gross
5 income’ means the adjusted gross income of the taxpayer
6 for the taxable year determined without regard to sections
7 911, 931, and 933.

8 “(e) TERMINATION.—No credit shall be allowed
9 under subsection (a) for any taxable year beginning after
10 December 31, 2027.”.

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 6211(b)(4)(A) of the Internal Rev-
13 enue Code of 1986 is amended by inserting “, 36C”
14 after “36B”.

15 (2) Section 1324(b)(2) of title 31, United
16 States Code, is amended by inserting “, 36C” after
17 “, 36B”.

18 (3) The table of sections for subpart C of part
19 IV of subchapter A of chapter 1 of the Internal Rev-
20 enue Code of 1986 is amended by inserting after the
21 item relating to section 36B the following new item:

“Sec. 36C. Energy burden credit.”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 December 31, 2024.