

114TH CONGRESS  
2D SESSION

# H. R. 6376

To amend the Internal Revenue Code of 1986 to modify the energy efficient commercial buildings deduction, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 17, 2016

Mr. REICHERT (for himself, Mr. BLUMENAUER, Mr. REED, and Mr. VAN HOLLEN) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to modify the energy efficient commercial buildings deduction, 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. MODIFICATION OF ENERGY EFFICIENT COM-**  
4 **MERCIAL BUILDINGS DEDUCTION.**

5 (a) ALLOCATIONS OF DEDUCTIONS.—Paragraph (4)  
6 of section 179D(d) of such Code is amended to read as  
7 follows:

8 “(4) ALLOCATION OF DEDUCTION FOR CERTAIN  
9 PROPERTY.—

1           “(A) PROPERTY HELD BY GOVERNMENTS  
2           AND NONPROFITS.—In the case of energy effi-  
3           cient commercial building property installed on  
4           or in property owned by a Federal, State, local,  
5           or Indian tribal government, or a political sub-  
6           division thereof, or by an organization that is  
7           described in section 501(c)(3) and exempt from  
8           tax under section 501(a), the Secretary shall  
9           promulgate a regulation to allow the allocation  
10          of the deduction to the person primarily respon-  
11          sible for designing the property in lieu of the  
12          owner of such property. Such person shall be  
13          treated as the taxpayer for purposes of this sec-  
14          tion.

15          “(B) ALLOCATIONS TO PARTNERSHIPS  
16          AND S CORPORATIONS.—In the case of an allo-  
17          cation of a deduction under this section to a  
18          partnership or S corporation, the Secretary  
19          shall by regulation or other guidance allow the  
20          full benefit of a deduction allocated under this  
21          paragraph at the partner or shareholder level.”.

22          (b) LOW-INCOME HOUSING EXCEPTION TO BASIS  
23          REDUCTION.—Subsection (e) of section 179D of such  
24          Code is amended by inserting “(other than property placed

1 in service in a qualified low-income building (within the  
2 meaning of section 42))” after “building property”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) The heading for section 179D of such Code  
5 is amended by inserting “**AND MULTIFAMILY**”  
6 after “**COMMERCIAL**”.

7 (2) The item in the table of sections for part  
8 VI of subchapter B of chapter 1 of such Code relat-  
9 ing to section 179D of such Code is amended by in-  
10 sserting “and multifamily” after “commercial”.

11 (d) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to property placed in service after  
13 December 31, 2016.

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