

118TH CONGRESS  
1ST SESSION

# H. R. 6861

To amend the Internal Revenue Code of 1986 to provide a refundable credit against tax for wildfire mitigation expenditures.

---

## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 19, 2023

Mr. KILEY 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 a refundable credit against tax for wildfire mitigation expenditures.

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 “Supporting Affordable  
5 Fire Emergency Hardening through Optimized Mitigation  
6 Efforts Act” or the “SAFE HOME Act”.

7 **SEC. 2. REFUNDABLE PERSONAL CREDIT FOR WILDFIRE**  
8 **MITIGATION EXPENDITURES.**

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

1 1986 (relating to refundable credits) is amended by insert-  
2 ing after section 36B the following new section:

3 **“SEC. 36C. WILDFIRE MITIGATION EXPENDITURES.**

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 25 percent of the qualified wildfire mitigation ex-  
8 penditures made by the taxpayer during such taxable year.

9 “(b) MAXIMUM CREDIT.—

10 “(1) IN GENERAL.—Subject to paragraphs (2)  
11 and (3), the credit allowed under subsection (a) for  
12 any taxable year shall not exceed \$25,000.

13 “(2) PHASEOUT.—

14 “(A) IN GENERAL.—The amount under  
15 paragraph (1) for the taxable year shall be re-  
16 duced (but not below zero) by an amount which  
17 bears the same ratio to the amount under such  
18 paragraph as—

19 “(i) the excess (if any) of—

20 “(I) the taxpayer’s adjusted  
21 gross income for such taxable year,  
22 over

23 “(II) \$200,000, bears to

24 “(ii) \$100,000.

1           “(B) INFLATION ADJUSTMENT.—In the  
2 case of any taxable year after 2024, each of the  
3 dollar amounts under subparagraph (A) shall  
4 be increased by an amount equal to—

5                   “(i) such dollar amount, multiplied by

6                   “(ii) the cost-of-living adjustment de-  
7 termined under section 1(f)(3) for the cal-  
8 endar year in which the taxable year be-  
9 gins, determined by substituting ‘calendar  
10 year 2023’ for ‘calendar year 2016’ in sub-  
11 paragraph (A)(ii) thereof.

12           “(C) ROUNDING.—If any reduction deter-  
13 mined under subparagraph (A) is not a multiple  
14 of \$50, or any increase under subparagraph (B)  
15 is not a multiple of \$50, such amount shall be  
16 rounded to the nearest multiple of \$50.

17           “(c) DEFINITIONS.—For purposes of this section—

18                   “(1) QUALIFIED WILDFIRE MITIGATION EX-  
19 PENDITURE.—

20                   “(A) IN GENERAL.—The term ‘qualified  
21 wildfire mitigation expenditure’ means an ex-  
22 penditure relating to a qualified dwelling unit—

23                   “(i) for property to improve fire re-  
24 sistance (not less than a class A rating) of  
25 a roof covering,

1 “(ii) to install—

2 “(I) roof coverings, sheathing,  
3 flashing, roof and attic vents, eaves,  
4 or gutters that conform to ignition-re-  
5 sistant construction standards,

6 “(II) wall components for wall  
7 assemblies that conform to ignition-re-  
8 sistant construction standards,

9 “(III) exterior walls, doors, win-  
10 dows, or other exterior dwelling unit  
11 elements that conform to ignition-re-  
12 sistant construction standards,

13 “(IV) exterior deck or fence com-  
14 ponents that conform to ignition-re-  
15 sistant construction standards, or

16 “(V) structure-specific water hy-  
17 dration systems, including fire mitiga-  
18 tion systems such as interior and exte-  
19 rior sprinkler systems, or

20 “(iii) for services or equipment to—

21 “(I) create buffers around the  
22 qualified dwelling unit through the re-  
23 moval or reduction of flammable vege-  
24 tation, including vertical clearance of  
25 tree branches,

1 “(II) create buffers around the  
2 dwelling unit through—

3 “(aa) the removal of exterior  
4 deck or fence components or igni-  
5 tion-prone landscape features, or

6 “(bb) replacement of the  
7 components or features described  
8 in item (aa) with components  
9 that conform to ignition-resistant  
10 construction standards,

11 “(III) perform fire maintenance  
12 procedures identified by the Federal  
13 Emergency Management Agency or  
14 the United States Forest Service, in-  
15 cluding fuel management techniques  
16 such as creating fuel and fire breaks,

17 “(IV) replace flammable vegeta-  
18 tion with less flammable species, or

19 “(V) prevent smoke inhalation,  
20 such as air filters or other equipment  
21 designed to prevent smoke from enter-  
22 ing the dwelling unit.

23 “(B) EXCEPTION.—The term ‘qualified  
24 wildfire mitigation expenditure’ shall not in-  
25 clude any expenditure or portion thereof which

1 is paid, funded, or reimbursed by a Federal,  
2 State, or local government entity, or any polit-  
3 ical subdivision, agency, or instrumentality  
4 thereof.

5 “(2) QUALIFIED DWELLING UNIT.—The term  
6 ‘qualified dwelling unit’ means a dwelling unit which  
7 is—

8 “(A) located—

9 “(i) in the United States or in a terri-  
10 tory of the United States, and

11 “(ii) in an area—

12 “(I) in which a Federal natural  
13 disaster declaration has been made  
14 within the preceding 10-year period  
15 with respect to a wildfire,

16 “(II) which is adjacent to an  
17 area described in subclause (I),

18 “(III) which, during the taxable  
19 year or the period of the 10 taxable  
20 years preceding such taxable year, has  
21 received hazard mitigation assistance  
22 through the Federal Emergency Man-  
23 agement Agency in regard to any  
24 wildfire which, with respect to the ex-  
25 penditure described in paragraph (1)

1 which is made by the taxpayer, is ap-  
2 plicable to such expenditure, or

3 “(IV) which, with respect to any  
4 taxable year, has been designated as a  
5 community disaster resilience zone (as  
6 defined in section 206(a) of the Rob-  
7 ert T. Stafford Disaster Relief and  
8 Emergency Assistance Act (42 U.S.C.  
9 5136(a))) as the result of a wildfire,  
10 and

11 “(B) used as a primary residence by the  
12 taxpayer.

13 “(d) DOCUMENTATION.—Any taxpayer claiming the  
14 credit under this section shall provide the Secretary with  
15 adequate documentation regarding the specific qualified  
16 wildfire mitigation expenditures made by the taxpayer  
17 during the taxable year, as well as such other information  
18 or documentation as the Secretary may require.

19 “(e) TERMINATION OF CREDIT.—The credit allowed  
20 under this section shall not apply to wildfire mitigation  
21 expenditures made after December 31, 2032.”.

22 (b) CONFORMING AMENDMENT.—The table of sec-  
23 tions for subpart C of part IV of subchapter A of chapter  
24 1 of such Code is amended by inserting after the item  
25 relating to section 36B the following new item:

“Sec. 36C. Wildfire mitigation expenditures.”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2022.

○