

115TH CONGRESS
1ST SESSION

S. 1306

To amend the Internal Revenue Code of 1986 to establish refundable tax credits for expenses relating to ensuring safety and accessibility in historic structures.

IN THE SENATE OF THE UNITED STATES

JUNE 7, 2017

Mr. LEAHY introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to establish refundable tax credits for expenses relating to ensuring safety and accessibility in historic structures.

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 “Historic Downtown
5 Preservation and Access Act”.

1 **SEC. 2. CREDITS FOR EXPENSES RELATED TO ENSURING**
 2 **SAFETY AND ACCESSIBILITY IN HISTORIC**
 3 **BUILDINGS.**

4 (a) CREDIT FOR INSTALLATION OF SPRINKLERS AND
 5 ELEVATORS IN HISTORIC BUILDINGS.—Subpart C of part
 6 IV of subchapter A of chapter 1 of the Internal Revenue
 7 Code of 1986 is amended by inserting after section 36B
 8 the following new section:

9 **“SEC. 36C. ACCESSIBILITY AND FIRE PREVENTION EX-**
 10 **PENSES FOR HISTORIC BUILDINGS.**

11 “(a) IN GENERAL.—There shall be allowed a credit
 12 against the tax imposed by this subtitle for the taxable
 13 year an amount equal to 50 percent of the qualified his-
 14 toric building expenses paid or incurred by the taxpayer
 15 during such taxable year.

16 “(b) LIMITATION.—The credit allowed under sub-
 17 section (a) with respect to any taxpayer for any taxable
 18 year shall not exceed \$50,000.

19 “(c) QUALIFIED HISTORIC BUILDING EXPENSES.—
 20 For purposes of this section—

21 “(1) IN GENERAL.—The term ‘qualified historic
 22 building expenses’ means amounts paid or incurred
 23 to install in a certified historic structure an elevator
 24 system or a sprinkler system that meets the require-
 25 ments found in the most recent edition of NFPA 13:
 26 Standard for the Installation of Sprinkler Systems.

1 “(2) NATIONAL HISTORIC LANDMARKS.—In the
 2 case of a certified historic structure that is des-
 3 ignated as a National Historic Landmark in accord-
 4 ance with section 101(a) of the National Historic
 5 Preservation Act (16 U.S.C. 470a(a)) and that is
 6 open to the public, the term ‘qualified historic build-
 7 ing expenses’ shall not include an expense described
 8 in paragraph (1), unless the installation of property
 9 described in such paragraph meets the requirements
 10 for a certified rehabilitation under section
 11 47(c)(2)(C).

12 “(3) CERTIFIED HISTORIC STRUCTURE.—The
 13 term ‘certified historic structure’ has the meaning
 14 given such term in section 47(c)(3), except that such
 15 term shall not include any structure which is a sin-
 16 gle-family residence.”.

17 (b) CREDIT FOR ABATEMENT OF HAZARDOUS SUB-
 18 STANCES IN HISTORIC BUILDINGS.—Subpart C of part IV
 19 of subchapter A of chapter 1 of the Internal Revenue Code
 20 of 1986, as amended by subsection (a), is amended by in-
 21 serting after section 36C the following new section:

22 **“SEC. 36D. ABATEMENT OF HAZARDOUS SUBSTANCES IN**
 23 **HISTORIC BUILDINGS.**

24 “(a) IN GENERAL.—There shall be allowed a credit
 25 against the tax imposed by this subtitle for the taxable

1 year an amount equal to the hazardous substance abate-
2 ment expenses paid or incurred by the taxpayer during
3 such taxable year.

4 “(b) LIMITATION.—The credit allowed under sub-
5 section (a) with respect to any taxpayer for any taxable
6 year shall not exceed \$50,000.

7 “(c) HAZARDOUS SUBSTANCE ABATEMENT EX-
8 PENSES.—

9 “(1) IN GENERAL.—For purposes of this sec-
10 tion, the term ‘hazardous substance abatement ex-
11 penses’ means amounts paid or incurred for any—

12 “(A) lead paint abatement services,

13 “(B) radon abatement services, and

14 “(C) asbestos abatement services,

15 with respect to a certified historic structure.

16 “(2) NATIONAL HISTORIC LANDMARKS.—In the
17 case of a certified historic structure that is des-
18 ignated as a National Historic Landmark in accord-
19 ance with section 101(a) of the National Historic
20 Preservation Act (16 U.S.C. 470a(a)) and that is
21 open to the public, the term ‘hazardous substance
22 abatement expenses’ shall not include an expense de-
23 scribed in paragraph (1), unless the services de-
24 scribed in such paragraph meet the requirements for
25 a certified rehabilitation under section 47(c)(2)(C).

1 “(3) CERTIFIED HISTORIC STRUCTURE.—The
2 term ‘certified historic structure’ has the same
3 meaning given such term in section 36C(c)(3).

4 “(d) LEAD PAINT ABATEMENT SERVICES.—

5 “(1) IN GENERAL.—Subject to paragraph (2),
6 the term ‘lead paint abatement services’ means—

7 “(A) any lead paint abatement measures
8 performed by a certified lead abatement super-
9 visor, including the removal of paint and dust,
10 the permanent enclosure or encapsulation of
11 lead-based paint, the replacement of painted
12 surfaces, windows, or fixtures, or the removal
13 or permanent covering of soil when lead-based
14 paint hazards are present in such paint, dust,
15 or soil, and

16 “(B) any preparation, cleanup, disposal,
17 and clearance testing activities associated with
18 the lead paint abatement measures which are
19 performed by a certified lead abatement super-
20 visor, those working under the supervision of
21 such supervisor, or a qualified contractor.

22 “(2) LIMITATION.—The term ‘lead paint abate-
23 ment services’ shall not include any services to the
24 extent such services are funded by any grant, con-

1 tract, or otherwise by another person or any govern-
2 mental agency.

3 “(3) DOCUMENTATION REQUIRED.—No credit
4 shall be allowed under subsection (a) with respect to
5 any lead paint abatement services for a certified his-
6 toric structure for any taxable year unless—

7 “(A) after such services are complete, a
8 certified inspector or certified risk assessor pro-
9 vides written documentation to the taxpayer
10 that includes—

11 “(i) evidence that the certified historic
12 structure meets lead hazard evaluation cri-
13 teria established by the Environmental
14 Protection Agency or under an authorized
15 State or local program, and

16 “(ii) documentation showing that the
17 lead paint abatement services meet the re-
18 quirements of this section, and

19 “(B) the taxpayer files with the appro-
20 priate State agency and attaches to the tax re-
21 turn for the taxable year—

22 “(i) the documentation described in
23 subparagraph (A), and

24 “(ii) documentation of the amounts
25 paid or incurred for lead paint abatement

1 services during the taxable year with re-
2 spect to the certified historic structure.

3 “(4) DEFINITIONS.—

4 “(A) CERTIFIED LEAD ABATEMENT SU-
5 PERVISOR.—The term ‘certified lead abatement
6 supervisor’ means an individual certified by the
7 Environmental Protection Agency pursuant to
8 section 745.226 of title 40, Code of Federal
9 Regulations, or an appropriate State agency
10 pursuant to section 745.325 of title 40, Code of
11 Federal Regulations.

12 “(B) CERTIFIED INSPECTOR.—The term
13 ‘certified inspector’ means an inspector certified
14 by the Environmental Protection Agency pursu-
15 ant to section 745.226 of title 40, Code of Fed-
16 eral Regulations, or an appropriate State agen-
17 cy pursuant to section 745.325 of title 40, Code
18 of Federal Regulations.

19 “(C) CERTIFIED RISK ASSESSOR.—The
20 term ‘certified risk assessor’ means a risk as-
21 sessor certified by the Environmental Protec-
22 tion Agency pursuant to section 745.226 of title
23 40, Code of Federal Regulations, or an appro-
24 priate State agency pursuant to section

1 745.325 of title 40, Code of Federal Regula-
2 tions.

3 “(D) LEAD-BASED PAINT HAZARD.—The
4 term ‘lead-based paint hazard’ has the meaning
5 given such term by section 745.63 of title 40,
6 Code of Federal Regulations.

7 “(E) QUALIFIED CONTRACTOR.—The term
8 ‘qualified contractor’ means a Lead-Safe Cer-
9 tified Firm or certified renovator under the
10 Lead Renovation, Repair and Painting Program
11 of the Environmental Protection Agency.

12 “(e) RADON ABATEMENT SERVICES.—

13 “(1) IN GENERAL.—Subject to paragraph (2),
14 the term ‘radon abatement services’ means, in the
15 case of a certified historic structure for which the in-
16 door radon level is greater than 2 picocuries per liter
17 of air, any radon abatement services performed by a
18 qualified radon mitigation professional.

19 “(2) LIMITATION.—The term ‘radon abatement
20 services’ shall not include any services to the extent
21 such services are funded by any grant, contract, or
22 otherwise by another person or any governmental
23 agency.

24 “(3) DOCUMENTATION REQUIRED.—No credit
25 shall be allowed under subsection (a) with respect to

1 any radon abatement services for a certified historic
2 structure for any taxable year unless—

3 “(A) after such services are complete, a
4 qualified radon measurement professional pro-
5 vides written documentation to the taxpayer
6 that includes—

7 “(i) evidence that the certified historic
8 structure meets radon hazard evaluation
9 criteria established under an authorized
10 State or local program, and

11 “(ii) documentation showing that the
12 radon abatement services meet the require-
13 ments of this section, and

14 “(B) the taxpayer files with the appro-
15 priate State agency and attaches to the tax re-
16 turn for the taxable year—

17 “(i) the documentation described in
18 subparagraph (A), and

19 “(ii) documentation of the amounts
20 paid or incurred for radon abatement serv-
21 ices during the taxable year with respect to
22 the certified historic structure.

23 “(4) DEFINITIONS.—

24 “(A) QUALIFIED RADON MEASUREMENT
25 PROFESSIONAL.—The term ‘qualified radon

1 measurement professional’ means an individual
2 who has demonstrated the minimum degree of
3 appropriate technical knowledge and skills spe-
4 cific to radon measurement in conformance with
5 the requirements of—

6 “(i) a certification standard promul-
7 gated by the American National Standards
8 Institute or International Organization for
9 Standardization,

10 “(ii) a State, local or other govern-
11 mental licensing (or equivalent) program,
12 or

13 “(iii) any other recognized or accred-
14 ited certification process as determined by
15 the Secretary.

16 “(B) QUALIFIED RADON MITIGATION PRO-
17 FESSIONAL.—The term ‘qualified radon mitiga-
18 tion professional’ means an individual who has
19 demonstrated the minimum degree of appro-
20 priate technical knowledge and skills specific to
21 radon mitigation in conformance with the re-
22 quirements of—

23 “(i) a certification standard promul-
24 gated by the American National Standards

1 Institute or International Organization for
2 Standardization,

3 “(ii) a State, local or other govern-
4 mental licensing (or equivalent) program,
5 or

6 “(iii) any other recognized or accred-
7 ited certification process as determined by
8 the Secretary.

9 “(C) RADON.—The term ‘radon’ has the
10 meaning given the term in section 302 of the
11 Toxic Substances Control Act (15 U.S.C.
12 2662).

13 “(f) ASBESTOS ABATEMENT SERVICES.—

14 “(1) IN GENERAL.—Subject to paragraph (2),
15 the term ‘asbestos abatement services’ means—

16 “(A) any asbestos abatement measures
17 performed by an accredited asbestos abatement
18 contractor or supervisor,

19 “(B) any interim asbestos control meas-
20 ures to reduce exposure or likely exposure to as-
21 bestos hazards, but only if such measures are
22 evaluated and completed by an accredited as-
23 bestos abatement contractor or supervisor using
24 accepted methods, are conducted by an accred-
25 ited asbestos abatement contractor or super-

1 visor, and have an expected useful life of more
2 than 10 years, and

3 “(C) any preparation, cleanup, disposal,
4 and clearance testing activities associated with
5 the asbestos abatement measures or interim as-
6 bestos control measures which are performed by
7 an accredited asbestos abatement contractor or
8 supervisor, or those working under the super-
9 vision of such supervisor.

10 “(2) LIMITATION.—The term ‘asbestos abate-
11 ment services’ shall not include any services to the
12 extent such services are funded by any grant, con-
13 tract, or otherwise by another person or any govern-
14 mental agency.

15 “(3) DOCUMENTATION REQUIRED.—No credit
16 shall be allowed under subsection (a) with respect to
17 any asbestos abatement services for a certified his-
18 toric structure for any taxable year unless—

19 “(A) after such services are complete, an
20 accredited asbestos inspector provides written
21 documentation to the taxpayer that includes—

22 “(i) evidence that the certified historic
23 structure meets asbestos hazard evaluation
24 criteria established under an authorized
25 State or local program, and

1 “(ii) documentation showing that the
2 asbestos abatement services meet the re-
3 quirements of this section, and

4 “(B) the taxpayer files with the appro-
5 priate State agency and attaches to the tax re-
6 turn for the taxable year—

7 “(i) the documentation described in
8 subparagraph (A), and

9 “(ii) documentation of the amounts
10 paid or incurred for asbestos abatement
11 services during the taxable year with re-
12 spect to the certified historic structure.

13 “(4) DEFINITIONS.—

14 “(A) ACCREDITED ASBESTOS ABATEMENT
15 CONTRACTOR OR SUPERVISOR.—The term ‘ac-
16 credited asbestos abatement contractor or su-
17 pervisor’ means any person accredited as a con-
18 tractor or supervisor under the Asbestos Model
19 Accreditation Plan of the Environmental Pro-
20 tection Agency.

21 “(B) ACCREDITED ASBESTOS INSPEC-
22 TOR.—The term ‘accredited asbestos inspector’
23 means any person accredited as an inspector
24 under the Asbestos Model Accreditation Plan of
25 the Environmental Protection Agency.

1 “(C) ASBESTOS.—The term ‘asbestos’ has
2 the meaning given the term in section 202 of
3 the Toxic Substances Control Act (15 U.S.C.
4 2642).

5 “(D) ASBESTOS HAZARD.—The term ‘as-
6 bestos hazard’ has the meaning given the term
7 ‘imminent hazard to the health and safety’ in
8 section 11 of the Asbestos School Hazard De-
9 tection and Control Act of 1980 (20 U.S.C.
10 3610).

11 “(g) SPECIAL RULES.—

12 “(1) BASIS REDUCTION.—The basis of any
13 property for which a credit is allowable under sub-
14 section (a) shall be reduced by the amount of such
15 credit.

16 “(2) NO DOUBLE BENEFIT.—Any deduction al-
17 lowable for costs taken into account in computing
18 the amount of the credit for qualified abatement ex-
19 penses shall be reduced by the amount of such credit
20 attributable to such costs.”.

21 “(c) CONFORMING AMENDMENTS.—

22 “(1) Section 1324 of title 31, United States
23 Code, is amended by inserting “, 36C, 36D” after
24 “, 36B”.

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

“Sec. 36C. Accessibility and fire prevention expenses for historic buildings.
“Sec. 36D. Abatement of hazardous substances in historic buildings.”.

5 (d) **EFFECTIVE DATE.**—The amendments made by
6 this section shall apply to amounts paid or incurred in tax-
7 able years beginning after the date of the enactment of
8 this Act.

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