

114TH CONGRESS
2D SESSION

H. R. 5251

To amend the Internal Revenue Code of 1986 to provide a tax credit for property owners who remove hazards relating to lead, asbestos, and radon.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2016

Ms. ESTY (for herself and Ms. DELAURO) 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 tax credit for property owners who remove hazards relating to lead, asbestos, and radon.

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 “Healthy Homes Tax
5 Credit Act”.

6 **SEC. 2. TAX CREDITS FOR REDUCTION OF LEAD, RADON,**
7 **AND ASBESTOS HAZARDS IN HOMES.**

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

1 1986 is amended by adding at the end the following new
2 sections:

3 **“SEC. 30E. HOME LEAD HAZARD REDUCTION ACTIVITY.**

4 “(a) ALLOWANCE OF CREDIT.—There shall be al-
5 lowed as a credit against the tax imposed by this chapter
6 for the taxable year an amount equal to 50 percent of the
7 lead hazard reduction activity cost paid or incurred by the
8 taxpayer during the taxable year for each eligible dwelling
9 unit.

10 “(b) LIMITATION.—The amount of the credit allowed
11 under subsection (a) for any eligible dwelling unit for any
12 taxable year shall not exceed—

13 “(1) \$5,000, reduced by

14 “(2) the aggregate lead hazard reduction activ-
15 ity cost taken into account under subsection (a) with
16 respect to such unit for all preceding taxable years.

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

18 “(1) CERTIFIED LEAD ABATEMENT SUPER-
19 VISOR.—The term ‘certified lead abatement super-
20 visor’ means an individual certified by the Environ-
21 mental Protection Agency pursuant to section
22 745.226 of title 40, Code of Federal Regulations, or
23 an appropriate State agency pursuant to section
24 745.325 of title 40, Code of Federal Regulations.

1 “(2) CERTIFIED INSPECTOR.—The term ‘cer-
2 tified inspector’ means an inspector certified by the
3 Environmental Protection Agency pursuant to sec-
4 tion 745.226 of title 40, Code of Federal Regula-
5 tions, or an appropriate State agency pursuant to
6 section 745.325 of title 40, Code of Federal Regula-
7 tions.

8 “(3) CERTIFIED RISK ASSESSOR.—The term
9 ‘certified risk assessor’ means a risk assessor cer-
10 tified by the Environmental Protection Agency pur-
11 suant to section 745.226 of title 40, Code of Federal
12 Regulations, or an appropriate State agency pursu-
13 ant to section 745.325 of title 40, Code of Federal
14 Regulations.

15 “(4) ELIGIBLE DWELLING UNIT.—

16 “(A) IN GENERAL.—The term ‘eligible
17 dwelling unit’ means, with respect to any tax-
18 able year, any dwelling unit which is placed in
19 service before 1950 and located in the United
20 States.

21 “(B) DWELLING UNIT.—The term ‘dwell-
22 ing unit’ has the meaning given such term by
23 section 280A(f)(1).

24 “(5) LEAD HAZARD REDUCTION ACTIVITY
25 COST.—

1 “(A) IN GENERAL.—The term ‘lead hazard
2 reduction activity cost’ means, with respect to
3 any eligible dwelling unit—

4 “(i) the cost for a certified risk asses-
5 sor to conduct an assessment to determine
6 the presence of lead pipes or a lead-based
7 paint hazard,

8 “(ii) the cost for performing lead
9 abatement measures by a certified lead
10 abatement supervisor, including the re-
11 moval of lead pipes, the removal of paint
12 and dust, the permanent enclosure or en-
13 capsulation of lead-based paint, the re-
14 placement of painted surfaces, windows, or
15 fixtures, or the removal or permanent cov-
16 ering of soil when lead-based paint hazards
17 are present in such paint, dust, or soil,

18 “(iii) the cost for a certified lead
19 abatement supervisor, those working under
20 the supervision of such supervisor, or a
21 qualified contractor to perform all prepara-
22 tion, cleanup, disposal, and clearance test-
23 ing activities associated with the lead
24 abatement measures, and

1 “(iv) costs incurred by or on behalf of
2 any occupant of such dwelling unit for any
3 relocation which is necessary to achieve oc-
4 cupant protection (as defined under section
5 35.1345 of title 24, Code of Federal Regu-
6 lations).

7 “(B) LIMITATION.—The term ‘lead hazard
8 reduction activity cost’ does not include any
9 cost to the extent such cost is funded by any
10 grant, contract, or otherwise by another person
11 or any governmental agency.

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

16 “(7) QUALIFIED CONTRACTOR.—The term
17 ‘qualified contractor’ means a Lead-Safe Certified
18 Firm or certified renovator under the Lead Renova-
19 tion, Repair and Painting Program of the Environ-
20 mental Protection Agency.

21 “(d) SPECIAL RULES.—

22 “(1) DOCUMENTATION REQUIRED FOR CREDIT
23 ALLOWANCE.—No credit shall be allowed under sub-
24 section (a) with respect to any eligible dwelling unit
25 for any taxable year unless—

1 “(A) after lead hazard reduction activity is
2 complete, a certified inspector or certified risk
3 assessor provides written documentation to the
4 taxpayer that includes—

5 “(i) evidence that the eligible dwelling
6 unit meets lead hazard evaluation criteria
7 established by the Environmental Protec-
8 tion Agency or under an authorized State
9 or local program, and

10 “(ii) documentation showing that the
11 lead hazard reduction activity meets the
12 requirements of this section, and

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

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

18 “(ii) documentation of the lead hazard
19 reduction activity costs paid or incurred
20 during the taxable year with respect to the
21 eligible dwelling unit, and

22 “(iii) a statement certifying that the
23 dwelling unit qualifies as an eligible dwell-
24 ing unit for such taxable year.

1 “(2) BASIS REDUCTION.—The basis of any
2 property for which a credit is allowable under sub-
3 section (a) shall be reduced by the amount of such
4 credit (determined without regard to subsection (e)).

5 “(3) NO DOUBLE BENEFIT.—Any deduction al-
6 lowable for costs taken into account in computing
7 the amount of the credit for lead-based paint abate-
8 ment shall be reduced by the amount of such credit
9 attributable to such costs.

10 “(e) LIMITATION BASED ON AMOUNT OF TAX.—The
11 credit allowed under subsection (a) for the taxable year
12 shall not exceed the excess of—

13 “(1) the sum of the regular tax liability (as de-
14 fined in section 26(b)) plus the tax imposed by sec-
15 tion 55, over

16 “(2) the sum of the credits allowable under sub-
17 part A and sections 27, 29, 30, 30A, 30B, 30C, and
18 30D for the taxable year.

19 “(f) CARRYFORWARD ALLOWED.—

20 “(1) IN GENERAL.—If the credit amount allow-
21 able under subsection (a) for a taxable year exceeds
22 the amount of the limitation under subsection (e) for
23 such taxable year (referred to as the ‘unused credit
24 year’ in this subsection), such excess shall be allowed

1 as a credit carryforward for each of the 20 taxable
2 years following the unused credit year.

3 “(2) RULES.—Rules similar to the rules of sec-
4 tion 39 shall apply with respect to the credit
5 carryforward under paragraph (1).

6 **“SEC. 30F. HOME RADON HAZARD REDUCTION ACTIVITY.**

7 “(a) ALLOWANCE OF CREDIT.—There shall be al-
8 lowed as a credit against the tax imposed by this chapter
9 for the taxable year an amount equal to 50 percent of the
10 radon hazard reduction activity cost paid or incurred by
11 the taxpayer during the taxable year for each eligible
12 dwelling unit.

13 “(b) LIMITATION.—The amount of the credit allowed
14 under subsection (a) for any eligible dwelling unit for any
15 taxable year shall not exceed—

16 “(1) \$5,000, reduced by

17 “(2) the aggregate radon hazard reduction ac-
18 tivity cost taken into account under subsection (a)
19 with respect to such unit for all preceding taxable
20 years.

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

22 “(1) ELIGIBLE DWELLING UNIT.—

23 “(A) IN GENERAL.—The term ‘eligible
24 dwelling unit’ means, with respect to any tax-

1 able year, any dwelling unit located in the
2 United States.

3 “(B) DWELLING UNIT.—The term ‘dwell-
4 ing unit’ has the meaning given such term by
5 section 280A(f)(1).

6 “(2) QUALIFIED RADON MEASUREMENT PRO-
7 FESSIONAL.—The term ‘qualified radon measure-
8 ment professional’ means an individual who has
9 demonstrated the minimum degree of appropriate
10 technical knowledge and skills specific to radon
11 measurement in conformance with the requirements
12 of—

13 “(A) a certification standard promulgated
14 by the American National Standards Institute
15 or International Organization for Standardiza-
16 tion,

17 “(B) a State, local or other governmental
18 licensing (or equivalent) program, or

19 “(C) any other recognized or accredited
20 certification process as determined by the Sec-
21 retary.

22 “(3) QUALIFIED RADON MITIGATION PROFES-
23 SIONAL.—The term ‘qualified radon mitigation pro-
24 fessional’ means an individual who has demonstrated
25 the minimum degree of appropriate technical knowl-

1 edge and skills specific to radon mitigation in con-
2 formance with the requirements of—

3 “(A) a certification standard promulgated
4 by the American National Standards Institute
5 or International Organization for Standardiza-
6 tion,

7 “(B) a State, local or other governmental
8 licensing (or equivalent) program, or

9 “(C) any other recognized or accredited
10 certification process as determined by the Sec-
11 retary.

12 “(4) RADON.—The term ‘radon’ has the mean-
13 ing given the term in section 302 of the Toxic Sub-
14 stances Control Act (15 U.S.C. 2662).

15 “(5) RADON HAZARD REDUCTION ACTIVITY
16 COST.—

17 “(A) IN GENERAL.—The term ‘radon haz-
18 ard reduction activity cost’ means, with respect
19 to any eligible dwelling unit—

20 “(i) the cost for a qualified radon
21 measurement professional to conduct an
22 assessment to determine the indoor radon
23 level of the dwelling unit, and

24 “(ii) if the indoor radon level of the
25 dwelling unit is not less than 2 picocuries

1 per liter of air, as determined by a quali-
2 fied radon measurement professional, the
3 cost for performing radon abatement meas-
4 ures by a qualified radon mitigation pro-
5 fessional.

6 “(B) LIMITATION.—The term ‘radon haz-
7 ard reduction activity cost’ does not include any
8 cost to the extent such cost is funded by any
9 grant, contract, or otherwise by another person
10 or any governmental agency.

11 “(d) SPECIAL RULES.—

12 “(1) DOCUMENTATION REQUIRED FOR CREDIT
13 ALLOWANCE.—No credit shall be allowed under sub-
14 section (a) with respect to any eligible dwelling unit
15 for any taxable year unless—

16 “(A) after radon hazard reduction activity
17 is complete, a qualified radon measurement pro-
18 fessional provides written documentation to the
19 taxpayer that includes—

20 “(i) evidence that the eligible dwelling
21 unit meets radon hazard evaluation criteria
22 established under an authorized State or
23 local program, and

1 “(ii) documentation showing that the
2 radon hazard reduction activity meets the
3 requirements 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),

9 “(ii) documentation of the radon haz-
10 ard reduction activity costs paid or in-
11 curred during the taxable year with respect
12 to the eligible dwelling unit, and

13 “(iii) a statement certifying that the
14 dwelling unit qualifies as an eligible dwell-
15 ing unit for such taxable year.

16 “(2) BASIS REDUCTION.—The basis of any
17 property for which a credit is allowable under sub-
18 section (a) shall be reduced by the amount of such
19 credit (determined without regard to subsection (e)).

20 “(3) NO DOUBLE BENEFIT.—Any deduction al-
21 lowable for costs taken into account in computing
22 the amount of the credit for radon abatement shall
23 be reduced by the amount of such credit attributable
24 to such costs.

1 “(e) LIMITATION BASED ON AMOUNT OF TAX.—The
2 credit allowed under subsection (a) for the taxable year
3 shall not exceed the excess of—

4 “(1) the sum of the regular tax liability (as de-
5 fined in section 26(b)) plus the tax imposed by sec-
6 tion 55, over

7 “(2) the sum of the credits allowable under sub-
8 part A and sections 27, 29, 30, 30A, 30B, 30C, and
9 30D for the taxable year.

10 “(f) CARRYFORWARD ALLOWED.—

11 “(1) IN GENERAL.—If the credit amount allow-
12 able under subsection (a) for a taxable year exceeds
13 the amount of the limitation under subsection (e) for
14 such taxable year (referred to as the ‘unused credit
15 year’ in this subsection), such excess shall be allowed
16 as a credit carryforward for each of the 20 taxable
17 years following the unused credit year.

18 “(2) RULES.—Rules similar to the rules of sec-
19 tion 39 shall apply with respect to the credit
20 carryforward under paragraph (1).

21 **“SEC. 30G. HOME ASBESTOS HAZARD REDUCTION ACTIV-**
22 **ITY.**

23 “(a) ALLOWANCE OF CREDIT.—There shall be al-
24 lowed as a credit against the tax imposed by this chapter
25 for the taxable year an amount equal to 50 percent of the

1 asbestos hazard reduction activity cost paid or incurred
2 by the taxpayer during the taxable year for each eligible
3 dwelling unit.

4 “(b) LIMITATION.—The amount of the credit allowed
5 under subsection (a) for any eligible dwelling unit for any
6 taxable year shall not exceed—

7 “(1) either—

8 “(A) \$5,000 in the case of asbestos hazard
9 reduction activity cost including asbestos abate-
10 ment measures described in clauses (i), (ii),
11 (iv), and (v) of subsection (c)(3)(A), or

12 “(B) \$1,000 in the case of asbestos hazard
13 reduction activity cost including interim asbes-
14 tos control measures described in clauses (i),
15 (iii), (iv), and (v) of subsection (c)(3)(A), re-
16 duced by

17 “(2) the aggregate asbestos hazard reduction
18 activity cost taken into account under subsection (a)
19 with respect to such unit for all preceding taxable
20 years.

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

22 “(1) ACCREDITED ASBESTOS ABATEMENT CON-
23 TRACTOR OR SUPERVISOR.—The term ‘accredited as-
24 bestos abatement contractor or supervisor’ means
25 any person accredited as a contractor or supervisor

1 under the Asbestos Model Accreditation Plan of the
2 Environmental Protection Agency.

3 “(2) ACCREDITED ASBESTOS INSPECTOR.—The
4 term ‘accredited asbestos inspector’ means any per-
5 son accredited as an inspector under the Asbestos
6 Model Accreditation Plan of the Environmental Pro-
7 tection Agency.

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

11 “(4) ASBESTOS HAZARD.—The term ‘asbestos
12 hazard’ has the meaning given the term ‘imminent
13 hazard to the health and safety’ in section 11 of the
14 Asbestos School Hazard Detection and Control Act
15 of 1980 (20 U.S.C. 3610).

16 “(5) ASBESTOS HAZARD REDUCTION ACTIVITY
17 COST.—

18 “(A) IN GENERAL.—The term ‘asbestos
19 hazard reduction activity cost’ means, with re-
20 spect to any eligible dwelling unit—

21 “(i) the cost for an accredited asbes-
22 tos inspector to conduct an assessment to
23 determine the presence of an asbestos haz-
24 ard,

1 “(ii) the cost for performing asbestos
2 abatement measures by an accredited as-
3bestos abatement contractor or supervisor,

4 “(iii) the cost for performing interim
5 asbestos control measures to reduce expo-
6sure or likely exposure to asbestos hazards,
7 but only if such measures are evaluated
8 and completed by an accredited asbestos
9 abatement contractor or supervisor using
10 accepted methods, are conducted by an ac-
11 credited asbestos abatement contractor or
12 supervisor, and have an expected useful life
13 of more than 10 years,

14 “(iv) the cost for an accredited asbes-
15tos abatement supervisor, those working
16 under the supervision of such supervisor,
17 or an accredited asbestos abatement con-
18 tractor or supervisor to perform all prepa-
19 ration, cleanup, disposal, and clearance
20 testing activities associated with the asbes-
21 tos abatement measures or interim asbes-
22 tos control measures, and

23 “(v) costs incurred by or on behalf of
24 any occupant of such dwelling unit for any
25 relocation which is necessary to achieve oc-

1 cupant protection (as determined by the
2 Administrator of the Environmental Pro-
3 tection Agency).

4 “(B) LIMITATION.—The term ‘asbestos
5 hazard reduction activity cost’ does not include
6 any cost to the extent such cost is funded by
7 any grant, contract, or otherwise by another
8 person or any governmental agency.

9 “(6) ELIGIBLE DWELLING UNIT.—

10 “(A) IN GENERAL.—The term ‘eligible
11 dwelling unit’ means, with respect to any tax-
12 able year, any dwelling unit located in the
13 United States.

14 “(B) DWELLING UNIT.—The term ‘dwell-
15 ing unit’ has the meaning given such term by
16 section 280A(f)(1).

17 “(d) SPECIAL RULES.—

18 “(1) DOCUMENTATION REQUIRED FOR CREDIT
19 ALLOWANCE.—No credit shall be allowed under sub-
20 section (a) with respect to any eligible dwelling unit
21 for any taxable year unless—

22 “(A) after asbestos hazard reduction activ-
23 ity is complete, an accredited asbestos inspector
24 provides written documentation to the taxpayer
25 that includes—

1 “(i) evidence that the eligible dwelling
2 unit meets asbestos hazard evaluation cri-
3 teria established under an authorized State
4 or local program, and

5 “(ii) documentation showing that the
6 asbestos hazard reduction activity meets
7 the requirements of this section, and

8 “(B) the taxpayer files with the appro-
9 priate State agency and attaches to the tax re-
10 turn for the taxable year—

11 “(i) the documentation described in
12 subparagraph (A),

13 “(ii) documentation of the asbestos
14 hazard reduction activity costs paid or in-
15 curred during the taxable year with respect
16 to the eligible dwelling unit, and

17 “(iii) a statement certifying that the
18 dwelling unit qualifies as an eligible dwell-
19 ing unit for such taxable year.

20 “(2) BASIS REDUCTION.—The basis of any
21 property for which a credit is allowable under sub-
22 section (a) shall be reduced by the amount of such
23 credit (determined without regard to subsection (e)).

24 “(3) NO DOUBLE BENEFIT.—Any deduction al-
25 lowable for costs taken into account in computing

1 the amount of the credit for asbestos abatement
2 shall be reduced by the amount of such credit attrib-
3 utable to such costs.

4 “(e) LIMITATION BASED ON AMOUNT OF TAX.—The
5 credit allowed under subsection (a) for the taxable year
6 shall not exceed the excess of—

7 “(1) the sum of the regular tax liability (as de-
8 fined in section 26(b)) plus the tax imposed by sec-
9 tion 55, over

10 “(2) the sum of the credits allowable under sub-
11 part A and sections 27, 29, 30, 30A, 30B, 30C, and
12 30D for the taxable year.

13 “(f) CARRYFORWARD ALLOWED.—

14 “(1) IN GENERAL.—If the credit amount allow-
15 able under subsection (a) for a taxable year exceeds
16 the amount of the limitation under subsection (e) for
17 such taxable year (referred to as the ‘unused credit
18 year’ in this subsection), such excess shall be allowed
19 as a credit carryforward for each of the 20 taxable
20 years following the unused credit year.

21 “(2) RULES.—Rules similar to the rules of sec-
22 tion 39 shall apply with respect to the credit
23 carryforward under paragraph (1).”.

24 (b) TECHNICAL AMENDMENTS.—

1 (1) Section 1016(a) of the Internal Revenue
2 Code of 1986 is amended—

3 (A) in paragraph (36), by striking “and”
4 at the end,

5 (B) in paragraph (37), by striking the pe-
6 riod at the end and inserting a comma, and

7 (C) by adding at the end the following new
8 paragraphs:

9 “(38) in the case of an eligible dwelling unit
10 with respect to which a credit for any lead hazard
11 reduction activity cost was allowed under section
12 30E, to the extent provided in section 30E(d)(2),

13 “(39) in the case of an eligible dwelling unit
14 with respect to which a credit for any radon hazard
15 reduction activity cost was allowed under section
16 30F, to the extent provided in section 30F(d)(2),
17 and

18 “(40) in the case of an eligible dwelling unit
19 with respect to which a credit for any asbestos haz-
20 ard reduction activity cost was allowed under section
21 30G, to the extent provided in section 30G(d)(2)”.

22 (2) The table of sections for subpart B of part
23 IV of subchapter A of chapter 1 of such Code is
24 amended by inserting after the item relating to sec-
25 tion 30D the following new items:

“Sec. 30E. Home lead hazard reduction activity.

“Sec. 30F. Home radon hazard reduction activity.

“Sec. 30G. Home asbestos hazard reduction activity.”.

- 1 (c) EFFECTIVE DATE.—The amendments made by
- 2 this section shall apply to costs incurred after December
- 3 31, 2015, in taxable years ending after that date.

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