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(Original Signature of Member)

116TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to modify the energy tax credit to apply to qualified distributed wind energy property.

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IN THE HOUSE OF REPRESENTATIVES

Mr. BLUMENAUER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Internal Revenue Code of 1986 to modify the energy tax credit to apply to qualified distributed wind energy property.

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 “Rural Wind Energy  
5 Modernization and Extension Act of 2020”.

1 **SEC. 2. QUALIFIED DISTRIBUTED WIND ENERGY PROP-**  
2 **ERTIES ADDED TO ENERGY CREDIT.**

3 (a) IN GENERAL.—Section 48 of the Internal Rev-  
4 enue Code of 1986 is amended—

5 (1) in subsection (a)—

6 (A) in paragraph (7)—

7 (i) in the header, by striking,  
8 “PHASEOUT FOR FIBER-OPTIC SOLAR,  
9 QUALIFIED FUEL CELL, AND QUALIFIED  
10 SMALL WIND ENERGY PROPERTY” and in-  
11 sserting “PHASEOUT FOR FIBER-OPTIC  
12 SOLAR OR QUALIFIED FUEL CELL PROP-  
13 erty”, and

14 (ii) by striking “qualified fuel cell  
15 property, qualified small wind property, or  
16 energy property” and inserting “qualified  
17 fuel cell property or energy property”, and

18 (B) by adding at the end the following new  
19 paragraph:

20 “(8) PHASEOUT FOR QUALIFIED DISTRIBUTED  
21 WIND ENERGY PROPERTY.—

22 “(A) IN GENERAL.—Subject to subpara-  
23 graph (B), in the case of any qualified distrib-  
24 uted wind energy property described in para-  
25 graph (3)(A)(vi), the energy percentage deter-  
26 mined under paragraph (2) shall be equal to—

1                   “(i) in the case of any property the  
2                   construction of which begins before Janu-  
3                   ary 1, 2026, 30 percent, and

4                   “(ii) in the case of any property the  
5                   construction of which begins after Decem-  
6                   ber 31, 2025, 10 percent.

7                   “(B) PLACED IN SERVICE DEADLINE.—In  
8                   the case of any qualified distributed wind en-  
9                   ergy property described in subparagraph (A)(i)  
10                  which is not placed in service before January 1,  
11                  2028, the energy percentage determined under  
12                  paragraph (2) shall be equal to 10 percent.”.

13                  (2) by striking “qualified small wind energy  
14                  property” each place it appears and inserting “quali-  
15                  fied distributed wind energy property”,

16                  (3) by amending subsection (c)(4) to read as  
17                  follows:

18                  “(4) QUALIFIED DISTRIBUTED WIND ENERGY  
19                  PROPERTY.—

20                  “(A) IN GENERAL.—The term ‘qualified  
21                  distributed wind energy property’ means prop-  
22                  erty that uses one or more wind turbines in a  
23                  single project with a total nameplate capacity  
24                  not exceeding 10 MW which—

1           “(i) are installed on properties with  
2           sufficient electrical load such that the an-  
3           nual energy consumption of the property is  
4           at least 50 percent of the annual energy  
5           produced by the wind energy property, or

6           “(ii) are used as part of a subscrip-  
7           tion-based or shared-ownership program  
8           that benefits at least five customers and  
9           allocates energy production proportionately  
10          to subscription or ownership where no  
11          more than 50 percent of the energy pro-  
12          duced is claimed by any one owner or sub-  
13          scriber.

14          “(B) WIND TURBINE.—The term ‘wind  
15          turbine’ means equipment which—

16                 “(i) uses wind to produce electricity,  
17                 and

18                 “(ii) is certified by an accredited cer-  
19                 tification agency that applies the perform-  
20                 ance and design standards of the American  
21                 Wind Energy Association or International  
22                 Electrotechnical Commission.”.

23          (b) EFFECTIVE DATE.—The amendments made by  
24          this section shall apply to property placed in service after  
25          the date of the enactment of this Act.