

By: Anchia

H.B. No. 2195

A BILL TO BE ENTITLED

AN ACT

relating to a franchise tax credit for building new single-family homes or duplexes that meet certain energy efficiency standards.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 171, Tax Code, is amended by adding Subchapter V to read as follows:

SUBCHAPTER V. TAX CREDIT FOR CERTAIN ENERGY-EFFICIENT HOMEBUILDING

Sec. 171.901. DEFINITIONS. In this subchapter:

(1) "Homebuilder" means any person who, for a fixed price, commission, fee, wage, or other compensation, sells, constructs, or supervises or manages the construction of, or contracts for the construction of or the supervision or management of the construction of a new single-family home or duplex.

(2) "Home energy rating system" means the Mortgage Industry National Home Energy Rating Systems Standards developed by the National Association of State Energy Officials and the Residential Energy Services Network and in effect on January 1, 2014.

(3) "WaterSense program" means the program operated by the United States Environmental Protection Agency, or a similar successor program.

Sec. 171.902. ENTITLEMENT TO CREDIT. A taxable entity is entitled to a credit in the amount and under the conditions and limitations provided by this subchapter against the tax imposed

under this chapter.

Sec. 171.903. QUALIFICATION. A taxable entity qualifies for a credit under this subchapter if the taxable entity is a homebuilder and builds a new single-family home or duplex in this state:

(1) that achieves a home energy rating system index value of not more than 50;

(2) in which all applicable water use products are certified products under the WaterSense program; and

(3) in which any landscape irrigation system was designed and installed by a WaterSense irrigation partner.

Sec. 171.904. AMOUNT; LIMITATIONS. (a) The amount of the credit is equal to:

(1) \$4,000 for each new single-family home or duplex that achieves a home energy rating system index value of more than 25 but not more than 50;

(2) \$6,000 for each new single-family home or duplex that achieves a home energy rating system index value of more than zero but not more than 25; and

(3) \$8,000 for each new single-family home or duplex that achieves a home energy rating system index value of not more than zero.

(b) The credit claimed for each reporting period may not exceed the amount of franchise tax due, after any other applicable tax credits, for the period.

(c) A taxable entity may claim a credit under this subchapter relating to a new single-family home or duplex only on

1 the report based on the reporting period during which the
2 homebuilder completed construction of the new home or duplex.

3 (d) A taxable entity may not carry over a credit amount for a
4 new single-family home or duplex completed during a reporting
5 period to a subsequent period.

6 (e) A taxable entity may not convey, assign, or transfer a
7 credit under this subchapter to another entity.

8 Sec. 171.905. APPLICATION FOR CREDIT. A taxable entity
9 must apply for a credit under this subchapter on or with the tax
10 report for the period for which the credit is claimed. The taxable
11 entity shall file with the report proof of the home energy rating
12 system index value of each new single-family home or duplex for
13 which the taxable entity is claiming a credit under this
14 subchapter.

15 Sec. 171.906. RULES. (a) The comptroller shall adopt rules
16 necessary to implement this subchapter.

17 (b) The comptroller may adopt revisions to the home energy
18 rating system.

19 SECTION 2. This Act applies only to a report originally due
20 on or after the effective date of this Act.

21 SECTION 3. This Act takes effect January 1, 2014.