AMENDMENT TO RULES COMMITTEE PRINT 116–60
OFFERED BY MR. GREEN OF TEXAS

Page 1165 after line 16, insert the following:

DIVISION F—CREDIT AGAINST TAX FOR REVERSE OSMOSIS WATER FILTRATION SYSTEMS AND TESTING

SEC. 1. CREDIT AGAINST TAX FOR REVERSE OSMOSIS WATER FILTRATION SYSTEMS AND TESTING.

(a) In general.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 36B the following new section:

“SEC. 36C. REVERSE OSMOSIS WATER FILTRATION SYSTEMS.

“(a) In general.—In the case of an applicable taxpayer, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the water filtration system credit amount of the taxpayer for the taxable year.

“(b) Applicable taxpayer.—The term ‘applicable taxpayer’ means a taxpayer who—
“(1) is serviced by a water utility that, during testing for the 2013-2015 Safe Drinking Water Act assessment under the Unregulated Contaminant Monitoring Rule for Public Water Systems, was determined to have levels of hexavalent chromium that exceeded the minimum reporting level of .03 parts per billion, or

“(2) both—

“(A) draws water from a system or private well not reported in the testing described in paragraph (1), and

“(B) obtains testing conducted by a certified laboratory that shows such water contains hexavalent chromium levels above .02 parts per billion.

“(c) WATER FILTRATION SYSTEM CREDIT AMOUNT.—The term ‘water filtration system credit amount’ means the sum of—

“(1) so much of the purchase price of a reverse osmosis water filtration system certified by an accredited third party certification body to NSF/ANSI 58 for the reduction of hexavalent chromium as does not exceed $164, plus

“(2) so much of the price of hexavalent chromium testing from a certified laboratory as does not
exceed $164 (but only if such testing was not al-
ready conducted by a water utility that serves the
taxpayer).

“(d) CERTIFIED LABORATORY.—The term ‘certified
laboratory’ means a laboratory that is certified by a State
or locality to perform hexavalent chromium water testing.

“(e) MARRIED COUPLES MUST FILE JOINTLY.—

“(1) IN GENERAL.—If the taxpayer is married
at the close of the taxable year, the credit shall be
allowed under subsection (a) only if the taxpayer
and the taxpayer’s spouse file a joint return for the
taxable year.

“(2) EXCEPTION.—For purposes of clause (i),
rules similar to the rules of paragraphs (4) and (5)
of section 25(e) (relating to marital status and cer-
tain married individuals living apart, respectively)
shall apply.

“(f) CREDIT ALLOWED ONLY ONCE PER HOUSE-
HOLD.—In the case of any dwelling which is jointly occu-
pied and used during any calendar year as a residence by
two or more individuals, the credit allowed under sub-
section (a) may only be claimed once per taxable year with
respect to such dwelling.

“(g) LIMITATION BASED ON ADJUSTED GROSS IN-
COME.—The amount of the credit allowable under sub-


section (a) shall be reduced (but not below zero) by $10
for each $1,000 by which the taxpayer’s adjusted gross
income exceeds $85,526 (twice such amount in case of a
joint return).

“(h) ADJUSTMENT FOR INFLATION.—In the case of
any taxable year beginning after December 31, 2020, the
dollar amount computed in subsections (c) and (g) shall
be increased by an amount equal to—

“(1) such dollar amount, multiplied by

“(2) the cost-of-living adjustment determined
under section 1(f)(3) for the calendar year in which
the taxable year begins, determined by substituting
‘calendar year 2019’ for ‘calendar year 2016’ in sub-
paragraph (A)(ii) thereof.

“(i) REGULATIONS.—The Secretary, in consultation
with the Secretary of the Environmental Protection Agen-
cy and such water utilities and outside experts as appro-
priate, may prescribe such regulations and other guidance
as may be necessary or appropriate to carry out this sec-
tion, including—

“(1) guidance with respect to certified labora-
tories and the type of documents required to verify
authenticity of a water test, and

“(2) guidance with respect to the process for
verification of water quality testing.
“(j) TERMINATION.—This credit shall terminate on the date that is two years after the Secretary has determined that the Environmental Protection Agency has set a national primary drinking water regulation for hexavalent chromium.”.

(b) CLERICAL AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 36B the following new item:

“Sec. 36C. Credit Against Tax for Reverse Osmosis Water Filtration Systems.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 2019.