

116TH CONGRESS  
1ST SESSION

# S. 2283

To amend the Internal Revenue Code of 1986 to provide an investment tax credit for waste heat to power technology.

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IN THE SENATE OF THE UNITED STATES

JULY 25, 2019

Mr. CARPER (for himself and Mr. CARDIN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide an investment tax credit for waste heat to power technology.

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 “Waste Heat to Power  
5 Investment Tax Credit Act”.

6 **SEC. 2. INVESTMENT CREDIT FOR WASTE HEAT TO POWER**  
7 **PROPERTY.**

8 (a) IN GENERAL.—Section 48(a)(3)(A) of the Inter-  
9 nal Revenue Code of 1986 is amended—

10 (1) at the end of clause (vi), by striking “or”;

1 (2) at the end of clause (vii), by inserting “or”  
 2 after the comma; and

3 (3) by adding at the end the following:

4 “(viii) waste heat to power property,”.

5 (b) DEFINITIONS AND LIMITATIONS.—Section 48(c)  
 6 of the Internal Revenue Code of 1986 is amended by add-  
 7 ing at the end the following:

8 “(5) WASTE HEAT TO POWER PROPERTY.—

9 “(A) IN GENERAL.—The term ‘waste heat  
 10 to power property’ means property—

11 “(i) comprising a system which gen-  
 12 erates electricity through the recovery of a  
 13 qualified waste heat resource, and

14 “(ii) the construction of which begins  
 15 before January 1, 2027.

16 “(B) QUALIFIED WASTE HEAT RE-  
 17 SOURCE.—The term ‘qualified waste heat re-  
 18 source’ means—

19 “(i) exhaust heat or flared gas from  
 20 an industrial process that does not have,  
 21 as its primary purpose, the production of  
 22 electricity, and

23 “(ii) a pressure drop in any gas for an  
 24 industrial or commercial process.

25 “(C) LIMITATIONS.—

1                   “(i) IN GENERAL.—For purposes of  
 2                   subsection (a)(1), the basis of any waste  
 3                   heat to power property taken into account  
 4                   under this section shall not exceed the ex-  
 5                   cess of—

6                                 “(I) the basis of such property,  
 7                                 over

8                                 “(II) the fair market value of  
 9                                 comparable property which does not  
 10                                have the capacity to capture and con-  
 11                                vert a qualified waste heat resource to  
 12                                electricity.

13                   “(ii) CAPACITY LIMITATION.—The  
 14                   term ‘waste heat to power property’ shall  
 15                   not include any property comprising a sys-  
 16                   tem if such system has a capacity in excess  
 17                   of 50 megawatts.”.

18           (c) EFFECTIVE DATE.—The amendments made by  
 19 this section shall apply to periods after the date of enact-  
 20 ment of this Act, in taxable years ending after such date,  
 21 under rules similar to the rules of section 48(m) of the  
 22 Internal Revenue Code of 1986 (as in effect on the day  
 23 before the date of the enactment of the Revenue Reconcili-  
 24 ation Act of 1990).

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