

117TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

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 SENATE OF THE UNITED STATES

Ms. KLOBUCHAR (for herself and Mr. BENNET) introduced the following bill; which was read twice and referred to the Committee on

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**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 2021”.

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

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

1 (1) in subsection (a)—

2 (A) in paragraph (7)—

3 (i) in the header, by striking,  
4 “PHASEOUT FOR FIBER-OPTIC SOLAR,  
5 QUALIFIED FUEL CELL, AND QUALIFIED  
6 SMALL WIND ENERGY PROPERTY” and in-  
7 serting “PHASEOUT FOR FIBER-OPTIC  
8 SOLAR OR QUALIFIED FUEL CELL PROP-  
9 erty”, and

10 (ii) by striking “qualified fuel cell  
11 property, qualified small wind property, or  
12 energy property” and inserting “qualified  
13 fuel cell property or energy property”, and

14 (B) by adding at the end the following new  
15 paragraph:

16 “(8) PHASEOUT FOR QUALIFIED DISTRIBUTED  
17 WIND ENERGY PROPERTY.—

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

23 “(i) in the case of any property the  
24 construction of which begins before Janu-  
25 ary 1, 2028, 30 percent, and

1                   “(ii) in the case of any property the  
2                   construction of which begins after Decem-  
3                   ber 31, 2027, 10 percent.

4                   “(B) PLACED IN SERVICE DEADLINE.—In  
5                   the case of any qualified distributed wind en-  
6                   ergy property described in subparagraph (A)(i)  
7                   which is not placed in service before January 1,  
8                   2029, the energy percentage determined under  
9                   paragraph (2) shall be equal to 10 percent.”,

10                  (2) by striking “qualified small wind energy  
11                  property” each place it appears and inserting “quali-  
12                  fied distributed wind energy property”, and

13                  (3) by amending subsection (c)(4) to read as  
14                  follows:

15                  “(4) QUALIFIED DISTRIBUTED WIND ENERGY  
16                  PROPERTY.—

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

22                  “(i) are installed on properties with  
23                  sufficient electrical load such that the an-  
24                  nual energy consumption of the property is

1 at least 50 percent of the annual energy  
2 produced by the wind energy property, or

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

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

13 “(i) uses wind to produce electricity,  
14 and

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

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