

119TH CONGRESS  
1ST SESSION

# H. R. 3126

To amend the Internal Revenue Code of 1986 to increase the low-income housing credit for projects that use water submetering.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2025

Ms. TENNEY introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the low-income housing credit for projects that use water submetering.

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 “Promoting Sub-  
5 metering for Affordable Housing Act”.

6 **SEC. 2. INCREASE IN CREDIT FOR PROJECTS THAT USE**  
7 **WATER SUBMETERING.**

8 (a) IN GENERAL.—Paragraph (5) of section 42(d) of  
9 the Internal Revenue Code of 1986 is amended by adding  
10 at the end the following new subparagraph:

1           “(C) INCREASE IN CREDIT FOR PROJECTS  
2           THAT USE WATER SUBMETERING.—In the case  
3           of any building—

4                   “(i) which contains 4 or more units,  
5                   “(ii) which uses water submeters for  
6                   purposes of billing each unit separately,  
7                   and  
8                   “(iii) in which tenants have access to  
9                   read water submeters, including in land-  
10                  lord-controlled areas, within 72 hours of  
11                  making a request for such information,  
12                  the eligible basis of such building shall be 105  
13                  percent of such basis determined without regard  
14                  to this subparagraph.”.

15          (b) EFFECTIVE DATE.—The amendment made by  
16          this section shall apply to buildings which receive alloca-  
17          tions of housing credit dollar amount or, in the case of  
18          projects financed by tax-exempt obligations as described  
19          in section 42(h)(4) of the Internal Revenue Code of 1986,  
20          which are first taken into account under section 146 of  
21          such Code, after the date of the enactment of this Act.

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