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119TH CONGRESS
1ST SESSION

H. R. 3549

To amend the Internal Revenue Code of 1986 to provide critical businesses with a tax credit for electric generators placed in service in certain high risk disaster areas.

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2025

Mr. LUTTRELL introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide critical businesses with a tax credit for electric generators placed in service in certain high risk disaster areas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Critical Businesses Preparedness Act’’.

SEC. 2. CREDIT FOR ELECTRIC GENERATORS PLACED IN SERVICE BY CRITICAL BUSINESSES IN HIGH RISK DISASTER AREAS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 45BB. CREDIT FOR ELECTRIC GENERATORS PLACED IN SERVICE BY CRITICAL BUSINESSES IN HIGH RISK DISASTER AREAS.

"(a) IN GENERAL.—For purposes of section 38, in the case of a specified taxpayer, the qualified disaster preparedness electric generator expenses credit for any taxable year is an amount equal to 30 percent of the qualified disaster preparedness electric generator expenses paid or incurred by the taxpayer during such taxable year.

"(b) SPECIFIED TAXPAYER.—For purposes of this section, the term 'specified taxpayer' means any person engaged in a trade or business that is determined by the Secretary, after consultation with the Administrator of the Federal Emergency Management Agency, as being a trade or business that is critical in the aftermath of a flood or hurricane. Such trades or businesses shall not fail to include hospitals, nursing homes, grocery stores, and gas stations.

"(c) QUALIFIED DISASTER PREPAREDNESS ELECTRIC GENERATOR EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified disaster preparedness electric generator expenses' means, with respect to any specified taxpayer, any amount paid or incurred by such taxpayer for an electric generator (including costs of installation) placed in service in a high risk disaster area and used in a trade or business referred to in subsection (b).

"(2) HIGH RISK DISASTER AREA.—The term 'high risk disaster area' means any area determined by the Secretary, after consultation with the Administrator of the Federal Emergency Management Agency, as being an area that is at high risk of flooding or hurricanes.

"(d) DENIAL OF DOUBLE BENEFIT.—In the case of any qualified disaster preparedness electric generator expenses with respect to which credit is allowed under subsection (a)—

"(1) no deduction or credit shall be allowed for, or by reason of, any such expense to the extent of the amount of such credit, and

"(2) the basis of any property shall be reduced by the amount of such credit to the extent that such expenses were taken into account in determining such basis.".

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of such Code is amended by striking "plus" at the end of paragraph (40), by striking the period at the end of paragraph (41) and inserting ", plus", and by adding at the end the following new paragraph:

"(42) in the case of a specified taxpayer (as defined in section 45BB(b)), the qualified disaster preparedness electric generator expenses credit determined under section 45BB(a).".

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 45BB. Credit for electric generators placed in service by critical businesses in high risk disaster areas.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

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