

119TH CONGRESS
2D SESSION

H. R. 7044

To amend the Internal Revenue Code of 1986 to establish the energy burden credit.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2026

Mr. PAPPAS (for himself and Mr. LAWLER) 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 establish
the energy burden credit.

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 “Energy Burden Tax
5 Credit Act”.

6 **SEC. 2. ENERGY BURDEN CREDIT.**

7 (a) IN GENERAL.—Subpart C of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by inserting after section 36B the fol-
10 lowing new section:

1 **“SEC. 36C. ENERGY BURDEN CREDIT.**

2 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
3 dividual, there shall be allowed as a credit against the tax
4 imposed by this chapter for the taxable year an amount
5 equal to 75 percent of qualified energy expenses of such
6 individual for such taxable year.

7 “(b) QUALIFIED ENERGY EXPENSES.—For purposes
8 of this section, the term ‘qualified energy expenses’ means
9 so much of the amounts paid or incurred by the taxpayer
10 for fuel or electricity to heat or cool the taxpayer’s prin-
11 cipal residence (as such term is used in section 121) as
12 exceeds 3 percent of the modified adjusted gross income
13 of such taxpayer for the taxable year, determined without
14 regard to any amount which is reimbursed or provided as
15 a subsidy by any governmental program.

16 “(c) LIMITATIONS.—

17 “(1) DOLLAR LIMITATION.—The credit allowed
18 under subsection (a) shall not exceed \$1,500
19 (\$3,000 in the case of a joint return).

20 “(2) INCOME LIMITATION.—No credit shall be
21 allowed under subsection (a) for the taxable year if
22 the modified adjusted gross income of the taxpayer
23 for the taxable year exceeds \$75,000 (\$150,000 in
24 the case of a joint return).

25 “(d) MODIFIED ADJUSTED GROSS INCOME.—For
26 purposes of this section, the term ‘modified adjusted gross

1 income’ means the adjusted gross income of the taxpayer
2 for the taxable year determined without regard to sections
3 911, 931, and 933.

4 “(e) TERMINATION.—No credit shall be allowed
5 under subsection (a) for any taxable year beginning after
6 December 31, 2027.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) Section 6211(b)(4)(A) of the Internal Rev-
9 enue Code of 1986 is amended by inserting “, 36C”
10 after “36B”.

11 (2) Section 1324(b)(2) of title 31, United
12 States Code, is amended by inserting “, 36C” after
13 “, 36B”.

14 (3) The table of sections for subpart C of part
15 IV of subchapter A of chapter 1 of the Internal Rev-
16 enue Code of 1986 is amended by inserting after the
17 item relating to section 36B the following new item:

“Sec. 36C. Energy burden credit.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2024.

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