

119TH CONGRESS
2D SESSION

H. R. 7245

To amend the Internal Revenue Code of 1986 to establish the mass timber plant investment credit, the mass timber workforce development credit, and the mass timber construction credit.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 2026

Ms. BYNUM 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 mass timber plant investment credit, the mass timber workforce development credit, and the mass timber construction 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 “Leveraging Investment
5 in Mass Building and Employment with Renewable Tim-
6 ber Act of 2026” or the “LIMBER Timber Act of 2026”.

1 **SEC. 2. MASS TIMBER PLANT INVESTMENT CREDIT.**

2 (a) IN GENERAL.—Subpart E of part IV of sub-
 3 chapter A of chapter 1 of subtitle A of the Internal Rev-
 4 enue Code of 1986 is amended by inserting after section
 5 48E the following new section:

6 **“SEC. 48F. MASS TIMBER PLANT INVESTMENT CREDIT.**

7 “(a) IN GENERAL.—For purposes of section 46, the
 8 mass timber plant investment credit for any taxable year
 9 is an amount equal to 30 percent of the qualified invest-
 10 ment with respect to any qualifying mass timber plant if
 11 the taxpayer.

12 “(b) QUALIFIED INVESTMENT.—

13 “(1) IN GENERAL.—For purposes of subsection
 14 (a), the qualified investment for any taxable year is
 15 the basis of eligible property placed in service by the
 16 taxpayer during such taxable year which is part of
 17 a qualifying mass timber plant.

18 “(2) CERTAIN QUALIFIED PROGRESS EXPENDI-
 19 TURES RULES MADE APPLICABLE.—Rules similar to
 20 the rules of subsections (c)(4) and (d) of section 46
 21 (as in effect on the day before the enactment of the
 22 Revenue Reconciliation Act of 1990) shall apply for
 23 purposes of this section.

24 “(c) DEFINITIONS.—For purposes of this section—

1 “(1) QUALIFYING MASS TIMBER PLANT.—The
2 term ‘qualifying mass timber plant’ means a facility
3 for manufacture of mass timber.

4 “(2) MASS TIMBER.—The term ‘mass timber’
5 means engineered wood products formed by bonding
6 or mechanically fastening layers, laminations, or ele-
7 ments of wood to for structural components capable
8 of bearing gravity and lateral loads, including—

9 “(A) cross-laminated timber,

10 “(B) glue-laminated timber,

11 “(C) dowel-laminated timber,

12 “(D) nail-laminated timber,

13 “(E) laminated veneer lumber designed for
14 use as a primary structural element,

15 “(F) structural composite lumber and
16 other engineered wood products designated as
17 mass timber under the International Building
18 Code, and

19 “(G) such other engineered wood products
20 as the Secretary, in consultation with the Secre-
21 taries of Agriculture and Energy, determine ap-
22 propriate.

23 “(3) ELIGIBLE PROPERTY.—The term ‘eligible
24 property’ means any property—

25 “(A) which is necessary for—

1 “(i) the production of mass timber,

2 “(ii) re-equipping, expanding, or es-

3 tablishing a qualifying mass timber plant,

4 “(B) which is—

5 “(i) tangible personal property, or

6 “(ii) other tangible property (not in-

7 cluding a building or its structural compo-

8 nents), but only if such property is used as

9 an integral part of the qualifying mass

10 timber plant, and

11 “(C) with respect to which depreciation (or

12 amortization in lieu of depreciation) is allow-

13 able.

14 “(d) TERMINATION.—No credit shall be determined

15 under subsection (a) for any taxable year beginning after

16 December 31, 2030.”.

17 (b) CONFORMING AMENDMENTS.—

18 (1) Section 46 of such Code is amended—

19 (A) in paragraph (6), by striking “and”,

20 (B) in paragraph (7), by striking the pe-

21 riod and inserting “, and”, and

22 (C) by adding at the end the following new

23 paragraph:

24 “(8) the mass timber plant investment credit.”.

1 (2) Section 49(a)(1)(C) of such Code is amend-
2 ed—

3 (A) in clause (vii), by striking “and”,

4 (B) in clause (viii), by striking the period
5 and inserting “, and”, and

6 (C) by adding at the end the following new
7 clause

8 “(ix) the basis of any qualifying mass
9 timber plant under section 48F.”.

10 (3) Section 50(a)(2)(E) of such Code is amend-
11 ed by striking “or 48E(e)” and inserting “48E(e),
12 or 48F(b)(2)”.

13 (c) CLERICAL AMENDMENT.—The table of sections
14 for subpart E of part IV of subchapter A of chapter 1
15 of subtitle A of such Code is amended by inserting after
16 the item relating to section 48E the following new item:

 “Sec. 48F. Mass timber plant investment credit.”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to property placed in service after
19 the date of the enactment of this Act.

20 **SECTION 3. MASS TIMBER WORKFORCE DEVELOPMENT**
21 **CREDIT.**

22 (a) IN GENERAL.—Subpart D of part IV of sub-
23 chapter A of chapter 1 of the Internal Revenue Code of
24 1986 is amended by adding at the end the following new
25 section:

1 **“SEC. 45U. MASS TIMBER WORKFORCE DEVELOPMENT**
 2 **CREDIT.**

3 “(a) IN GENERAL.—For the purposes of section 38,
 4 in the case of an eligible taxpayer, the mass timber work-
 5 force development credit determined under this section for
 6 any taxable year is an amount equal to 50 percent of the
 7 qualified expenses of the taxpayer for the taxable year.

8 “(b) ELIGIBLE TAXPAYER.—For purposes of this
 9 section, the term ‘eligible taxpayer’ means a taxpayer in
 10 the trade or business of—

11 “(1) manufacturing mass timber products,

12 “(2) construction contracting, fabrication, or in-
 13 stalling mass timber products or structures made
 14 from mass timber products, or

15 “(3) architecture and engineering relating to
 16 mass timber design, installation, or construction.

17 “(c) QUALIFIED EXPENSES.—

18 “(1) IN GENERAL.—For purposes of this sec-
 19 tion, the term ‘qualified expenses’ means any of the
 20 following expenses incurred for the purposes of con-
 21 ducting an activity described in subsection (b):

22 “(A) Hiring and recruitment expenses.

23 “(B) Training expenses.

24 “(C) Wages paid to an individual partici-
 25 pating in—

1 “(i) a registered apprenticeship pro-
2 gram (as defined in section
3 3131(e)(3)(B)),

4 “(ii) a State workforce training pro-
5 gram, or

6 “(iii) an industry-recognized training
7 program.

8 “(2) REQUIREMENTS.—An activity meets the
9 requirements of this paragraph if—

10 “(A) not less than 70 percent of the mass
11 timber used to carry out such activity is from
12 sources of mass timber certified by the Forest
13 Stewardship Council, the Sustainable Forest
14 Initiative, or a State or Federal forest managed
15 under an approved forest management plan,
16 and

17 “(B) in the case of a structure constructed
18 by the taxpayer, not less than 50 percent of the
19 load-bearing structural components must con-
20 sist of mass timber.

21 “(3) LIMITATION.—The amount taken into ac-
22 count with respect to any employee of a taxpayer
23 under paragraph (1) for any taxable year shall not
24 exceed \$8,000.

1 “(d) MASS TIMBER.—For purposes of this section,
 2 the term ‘mass timber’ has the meaning given such term
 3 in section 48F(c)(2).

4 “(e) TERMINATION.—No credit shall be determined
 5 under subsection (a) for any taxable year beginning after
 6 December 31, 2030.”.

7 (b) CREDIT TO BE PART OF GENERAL BUSINESS
 8 CREDIT.—Section 38(b) of such Code is amended by strik-
 9 ing “plus” at the end of paragraph (32), by striking the
 10 period at the end of paragraph (33) and inserting “, plus”,
 11 and by adding at the end the following new paragraph:

12 “(34) in the case of an eligible taxpayer (as de-
 13 fined in section 45U), the mass timber workforce de-
 14 velopment credit determined under section 45U(a).”.

15 (c) CLERICAL AMENDMENT.—The table of sections
 16 for subpart D of part IV of subchapter A of chapter 1
 17 of such Code is amended by inserting after the item relat-
 18 ing to section 45T the following new item:

“Sec. 45U. Mass timber workforce development credit.”.

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

22 **SEC. 4. MASS TIMBER CONSTRUCTION CREDIT.**

23 (a) IN GENERAL.—Subpart D of part IV of sub-
 24 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new
2 section:

3 **“SEC. 45V. MASS TIMBER CONSTRUCTION CREDIT.**

4 “(a) IN GENERAL.—For the purposes of section 38,
5 the mass timber construction credit determined under this
6 section for any taxable year is an amount equal to the
7 product of—

8 “(1) the square footage of structures placed in
9 service by the taxpayer during the taxable year in
10 the course of the trade or business of the taxpayer
11 which meet the requirements of subsection (b), mul-
12 tiplied by

13 “(2) \$5.

14 “(b) REQUIREMENTS.—

15 “(1) IN GENERAL.—A structure meets the re-
16 quirements of this paragraph if—

17 “(A) not less than 70 percent of the mass
18 timber used to construct such structure is from
19 sources of mass timber certified by the Forest
20 Stewardship Council, the Sustainable Forest
21 Initiative, or a State or Federal forest managed
22 under an approved forest management plan,
23 and

1 “(B) not less than 50 percent of the load-
 2 bearing structural components of such structure
 3 consist of mass timber.

4 “(2) MASS TIMBER.—For purposes of this sub-
 5 section, the term ‘mass timber’ has the meaning
 6 given such term in section 48F(c)(2).

7 “(c) TERMINATION.—No credit shall be determined
 8 under subsection (a) for any taxable year beginning after
 9 December 31, 2030.”.

10 (b) CREDIT TO BE PART OF GENERAL BUSINESS
 11 CREDIT.—Section 38(b) of such Code is amended by strik-
 12 ing “plus” at the end of paragraph (33), by striking the
 13 period at the end of paragraph (34) and inserting “, plus”,
 14 and by adding at the end the following new paragraph:

15 “(35) the mass timber construction credit de-
 16 termined under section 45V(a).”.

17 (c) CLERICAL AMENDMENT.—The table of sections
 18 for subpart D of part IV of subchapter A of chapter 1
 19 of such Code is amended by inserting after the item relat-
 20 ing to section 45T the following new item:

 “Sec. 45V. Mass timber construction credit.”.

21 (d) EFFECTIVE DATE.—The amendments made by
 22 this section shall apply structures placed in service after
 23 the date of the enactment of this section.

○