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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to establish a credit to incentivize the use of certain low-emission anesthetic gases by health care facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. FOUSHEE introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to establish a credit to incentivize the use of certain low-emission anesthetic gases by health care facilities, and for other purposes.

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. ESTABLISHMENT OF LOW-EMISSION ANES-**
4 **THETIC GAS CREDIT.**

5 (a) IN GENERAL.—Subpart D of part IV of sub-
6 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. 45BB. LOW-EMISSION ANESTHETIC GAS CREDIT.**

4 “(a) IN GENERAL.—For purposes of section 38, in
5 the case of a health care facility, the low-emission anes-
6 thetic gas credit for any taxable year is an amount equal
7 to the sum of—

8 “(1) the applicable percentage of the qualified
9 low-emission anesthetic gas expenditures of the tax-
10 payer for the taxable year, plus

11 “(2) so much of the qualified mobile anesthetic
12 machine expenditures of the taxpayer for the taxable
13 year as does not exceed \$1,500 with respect to each
14 mobile anesthetic machine.

15 “(b) DEFINITIONS.—For purposes of this section—

16 “(1) QUALIFIED LOW-EMISSION ANESTHETIC
17 GAS EXPENDITURES.—The term ‘qualified low-emis-
18 sion anesthetic gas expenditures’ means, with re-
19 spect to any health care facility, any amounts paid
20 or incurred by such facility to acquire isoflurane
21 ($C_3H_2ClF_5O$) or sevoflurane ($C_4H_3F_7O$).

22 “(2) APPLICABLE PERCENTAGE.—

23 “(A) IN GENERAL.—The term ‘applicable
24 percentage’ means, with respect to any health
25 care facility for any taxable year—

1 “(i) 15 percent, if the qualified emis-
2 sion reduction rate of such facility for such
3 taxable year is at least 10 percent, but less
4 than 25 percent,

5 “(ii) 25 percent, if the qualified emis-
6 sion reduction rate of such facility for such
7 taxable year is at least 25 percent, but less
8 than 50 percent, and

9 “(iii) 50 percent, if the qualified emis-
10 sion reduction rate of such facility for such
11 taxable year is at least 50 percent.

12 “(B) QUALIFIED EMISSION REDUCTION
13 RATE.—

14 “(i) IN GENERAL.—The term ‘quali-
15 fied emission reduction rate’ means, with
16 respect to any health care facility for any
17 taxable year, the percentage reduction rel-
18 ative to the preceding taxable year (as cer-
19 tified in such manner as the Secretary may
20 prescribe) in an amount equal to the ratio
21 of—

22 “(I) the aggregate global warm-
23 ing potential over a 100-year period
24 with respect to any desflurane
25 ($\text{C}_3\text{H}_2\text{F}_6\text{O}$) or nitrous oxide (N_2O) ac-

1 quired by such facility during the tax-
2 able year, to

3 “(II) the average inpatient bed
4 capacity of such facility during the
5 taxable year.

6 “(ii) GLOBAL WARMING POTENTIAL.—
7 For purposes of clause (i), the term ‘global
8 warming potential’ means the ratio of the
9 time-integrated radiative forcing from the
10 instantaneous release of one kilogram of a
11 trace substance relative to that of one kilo-
12 gram of carbon dioxide (CO₂).

13 “(3) QUALIFIED MOBILE ANESTHETIC MACHINE
14 EXPENDITURES.—The term ‘qualified mobile anes-
15 thetic machine expenditures’ means, with respect to
16 any health care facility, any amounts paid or in-
17 curred by such facility for the rehabilitation or retro-
18 fitting of a mobile anesthetic machine in order for
19 such machine to be compatible with the use of
20 isoflurane (C₃H₂ClF₅O) or sevoflurane (C₄H₃F₇O).

21 “(4) HEALTH CARE FACILITY.—The term
22 ‘health care facility’ means any hospital, ambulatory
23 surgical center described in section 1833(i)(1)(A) of
24 the Social Security Act, or other facility designated
25 by the Secretary.

1 “(c) REGULATIONS.—The Secretary, in consultation
2 with the Secretary of Health and Human Services and the
3 Administrator of the Environmental Protection Agency,
4 shall prescribe such regulations or other guidance as may
5 be necessary or appropriate to carry out the purposes of
6 this section.

7 “(d) TERMINATION.—No credit shall be allowed
8 under this section with respect to any amounts paid or
9 incurred after December 31, 2029.”.

10 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
11 NESS CREDIT.—Section 38(b) of such Code is amended
12 by striking “plus” at the end of paragraph (40), by strik-
13 ing the period at the end of paragraph (41) and inserting
14 “, plus”, and by adding at the end the following new para-
15 graph:

16 “(42) the low-emission anesthetic gas credit de-
17 termined under section 45BB(a).”.

18 (c) ELECTIVE PAYMENT OF CREDIT.—Section
19 6417(b) of such Code is amended by redesignating para-
20 graphs (10) through (12) as paragraphs (11) through
21 (13), respectively, and by inserting after paragraph (9) the
22 following new paragraph:

23 “(10) The low-emission anesthetic gas credit
24 determined under section 45BB(a).”.

1 (d) CLERICAL AMENDMENT.—The table of sections
2 for subpart D of part IV of subchapter A of chapter 1
3 of such Code is amended by adding after the item relating
4 to section 45AA the following new item:

“Sec. 45BB. Low-emission anesthetic gas credit.”.

5 (e) EFFECTIVE DATE.—The amendments made by
6 this section shall apply with respect to amounts paid or
7 incurred after December 31, 2026.