



General Assembly

February Session, 2022

**Substitute Bill No. 295**



**AN ACT CONCERNING TAX CREDITS FOR ENERGY-EFFICIENT HOMES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) For purposes of this section, (1)  
2 "energy-efficient home" means a newly constructed home with a score  
3 of fifty or less on the Home Energy Rating System Index, or the  
4 equivalent requirements for Energy Star certified homes, as measured  
5 and certified by a licensed third-party professional qualified to conduct  
6 such measurement and certification, and (2) "Energy Star" means the  
7 voluntary labeling program administered by the United States  
8 Environmental Protection Agency designed to identify and promote  
9 energy-efficient products, equipment and buildings.

10 (b) (1) For taxable years commencing on or after January 1, 2022, but  
11 prior to January 1, 2026, there shall be a one-time credit allowed against  
12 the tax imposed under chapter 229 of the general statutes for the  
13 purchaser or purchasers, as applicable, of an energy-efficient home  
14 during any such taxable year, provided such energy-efficient home is  
15 occupied as the principal residence of such purchaser for at least three  
16 years after such purchase, verifiable by property tax records, and is not  
17 a vacation or rental property.

18 (2) The credit shall be in an amount equal to (A) two thousand five  
19 hundred dollars for any such purchaser who files an income tax return

20 individually, and (B) five thousand dollars for any such purchasers who  
21 file an income tax return jointly. Each such purchaser shall claim the  
22 credit in the taxable year in which such purchase of an energy-efficient  
23 home occurred by including the certificate issued pursuant to  
24 subdivision (3) of this subsection with such income tax return filed with  
25 the Commissioner of Revenue Services.

26 (3) The Secretary of the Office of Policy and Management shall issue  
27 a certificate to each purchaser of an energy-efficient home, upon the  
28 application of such purchaser on a form prescribed by the secretary.  
29 Such certificate shall identify the taxpayer filing individually, or the  
30 taxpayers filing jointly, as applicable, and certify that such purchaser  
31 satisfies the requirements of subdivision (1) of this subsection.

32 (c) (1) The amount of the credit allowed to any taxpayer filing  
33 individually or taxpayers filing jointly, as applicable, pursuant to this  
34 section shall not exceed the amount of tax due from such taxpayer or  
35 taxpayers under chapter 229 of the general statutes with respect to the  
36 taxable year in which such credit is being claimed. Any such credit  
37 claimed by such taxpayer or taxpayers but not applied against the tax  
38 due under said chapter may be carried forward for the five immediately  
39 succeeding taxable years until the full credit has been applied.

40 (2) If an energy-efficient home purchased in accordance with this  
41 section ceases to be the principal residence of any such purchaser within  
42 the three years after such purchase as required under subdivision (1) of  
43 subsection (b) of this section, such purchaser shall forfeit the right to the  
44 full amount of such credit and shall remit to the Commissioner of  
45 Revenue Services a prorated amount, as determined by the  
46 commissioner, based on the length of time such energy-efficient home  
47 was the principal residence of such purchaser subtracted from such  
48 three years.

This act shall take effect as follows and shall amend the following sections:

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Section 1	<i>from passage</i>	New section
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**Statement of Legislative Commissioners:**

Subsec. (a) was redesignated as Subsecs. (a) and (b) and reordered for consistency with standard drafting conventions.

**HSG**      *Joint Favorable Subst. -LCO*