



Date, 2026

The Honorable Aaron Bean  
The Honorable Vern Buchanan  
The Honorable Greg Steube  
U.S. House of Representatives

Re: Water Conservation Rebate Tax Parity Act ([H.R. 1871](#) / [S. 857](#)) - Support

Dear Representatives Bean, Buchanan, and Steube:

On behalf of the Alliance for Water Efficiency (AWE) and the undersigned Florida-based partner organizations, we respectfully urge you to support and co-sponsor the bipartisan *Water Conservation Rebate Tax Parity Act* (H.R. 1871 / S. 857). This legislation is being led by Representatives Huffman (D-CA) and Moore (R-UT) in the House and Senators Curtis (R-UT) and Padilla (D-CA) in the Senate, and it will likely go through the House Ways and Means Committee upon which you serve.

This legislation would eliminate federal taxation on rebates for water-efficient products and services—removing a key barrier that discourages participation in conservation programs. While Congress exempted energy efficiency rebates from taxation in 1992, water conservation rebates remain fully taxable, creating an inconsistent and counterproductive policy framework.

Taxing these rebates imposes unnecessary administrative burdens on local governments and creates confusion and frustration for residents who are often surprised and disappointed to learn they are taxed for taking actions that reduce water use and lower utility bills. Although recent changes have eased 1099 reporting requirements, water efficiency and conservation rebate revenues remain 100 percent federally taxed.

Importantly, the fiscal impact of this legislation would be minimal. The Congressional Budget Office has previously estimated that exempting water efficiency rebates from taxation would reduce federal revenues by less than \$10 million annually.

AWE is a national nonprofit organization dedicated to advancing water efficiency through research, technical resources, and policy advocacy. Our network includes more than 500-member organizations, including water utilities, government agencies, manufacturers and businesses, universities, and nonprofits.

On behalf of our members and the Florida signatories below, we strongly encourage you to co-sponsor the Water Conservation Rebate Tax Parity Act.

Thank you for your leadership and consideration.

A handwritten signature in blue ink that reads "Ron Burke". The signature is written in a cursive, flowing style.

Ron Burke  
President and CEO  
Alliance for Water Efficiency