

105TH CONGRESS
1ST SESSION

H. R. 1968

To amend the Internal Revenue Code of 1986 to provide a 2-year applicable recovery period for the depreciation of computers and peripheral equipment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 1997

Mr. COLLINS (for himself, Mr. CARDIN, Mr. ENGLISH of Pennsylvania, Mr. SESSIONS, Ms. LOFGREN, Mr. BARR of Georgia, Mr. KLUG, and Mr. CRAMER) 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 provide a 2-year applicable recovery period for the depreciation of computers and peripheral equipment, 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. SHORT TITLE.**

4 This Act may be cited as the “Computer Investment
5 Act of 1997”.

1 **SEC. 2. 2-YEAR APPLICABLE RECOVERY PERIOD FOR DE-**
 2 **PRECIATION OF COMPUTERS AND PERIPH-**
 3 **ERAL EQUIPMENT.**

4 (a) 2-Year Applicable Recovery Period.—

5 (1) IN GENERAL.—Paragraph (1) of section
 6 168(c) of the Internal Revenue Code of 1986 (relat-
 7 ing to applicable recovery period) is amended by in-
 8 serting before the first item in the table the follow-
 9 ing new item:

“Computers or peripheral equipment 2 years”.

10 (2) CONFORMING AMENDMENT.—Clause (iv) of
 11 section 168(e)(3)(B) of such Code (relating to 5-
 12 year property) is amended by inserting “(except
 13 computers or peripheral equipment)” before the
 14 comma.

15 (b) 2-Year Recovery Period Under Alternative Depre-
 16 ciation System for Tax-Exempt Use Property, Etc.—Sub-
 17 paragraph (C) of section 168(g)(3) of such Code (relating
 18 to alternative depreciation system for certain property) is
 19 amended to read as follows:

20 “(C) QUALIFIED TECHNOLOGICAL EQUIP-
 21 MENT.—

22 “(i) IN GENERAL.—Except as pro-
 23 vided in clause (ii), in the case of any
 24 qualified technological equipment, the re-

1 covery period used for purposes of para-
2 graph (2) shall be 5 years.

3 “(ii) COMPUTERS OR PERIPHERAL
4 EQUIPMENT.—In the case of any computer
5 or peripheral equipment, the recovery pe-
6 riod used for purposes of paragraph (2)
7 shall be 2 years.”

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to property placed in service after
10 December 31, 1997.

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