

106TH CONGRESS  
1ST SESSION

# H. R. 1916

To amend the Internal Revenue Code of 1986 to reduce to 36 months the amortization period for reforestation expenditures and to increase to \$25,000 the maximum annual amount of such expenditures which may be amortized.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 25, 1999

Mr. TURNER (for himself, Mr. FROST, Mr. PRICE of North Carolina, Mr. POMBO, Mr. PICKERING, Mr. SESSIONS, and Mr. SANDLIN) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to reduce to 36 months the amortization period for reforestation expenditures and to increase to \$25,000 the maximum annual amount of such expenditures which may be amortized.

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. MODIFICATIONS OF AMORTIZATION DEDUC-**  
4 **TION FOR REFORESTATION EXPENDITURES.**

5 (a) REDUCTION IN AMORTIZATION PERIOD.—Sub-  
6 section (a) of section 194 of the Internal Revenue Code

1 of 1986 (relating to amortization of reforestation expendi-  
 2 tures) is amended—

3 (1) by striking “84 months” and inserting “36  
 4 months”, and

5 (2) by striking “84-month period” and insert-  
 6 ing “36-month period”.

7 (b) INCREASE IN MAXIMUM AMOUNT WHICH MAY  
 8 BE AMORTIZED.—

9 (1) IN GENERAL.—Paragraph (1) of section  
 10 194(b) of such Code is amended by striking  
 11 “\$10,000 (\$5,000” and inserting “\$25,000 (half  
 12 such amount”.

13 (2) INFLATION ADJUSTMENT OF MAXIMUM  
 14 AMOUNT.—Subsection (b) of section 194 of such  
 15 Code is amended by adding at the end the following  
 16 new paragraph:

17 “(5) COST-OF-LIVING ADJUSTMENT.—In the  
 18 case of taxable years beginning in a calendar year  
 19 after 2000, the \$25,000 amount set forth in para-  
 20 graph (1) shall be increased by an amount equal  
 21 to—

22 “(A) \$25,000, multiplied by

23 “(B) the cost-of-living adjustment deter-  
 24 mined under section 1(f)(3) for such calendar  
 25 year by substituting ‘calendar year 1999’ for

1           ‘calendar year 1992’ in subparagraph (B)  
2           thereof.

3           If any increase under the preceding sentence is not  
4           a multiple of \$100, such increase shall be rounded  
5           to the nearest multiple of \$100.”

6           (c) EFFECTIVE DATE.—The amendments made by  
7           this section shall apply to taxable years beginning after  
8           December 31, 1999.

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