

106TH CONGRESS
1ST SESSION

H. R. 2451

To amend the Internal Revenue Code of 1986 to classify certain franchise operation property as 15-year depreciable property.

IN THE HOUSE OF REPRESENTATIVES

JULY 1, 1999

Mr. RAMSTAD 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 classify certain franchise operation property as 15-year depreciable property.

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 “Small Business Fran-
5 chise Property Recovery Act of 1999”.

6 **SEC. 2. CLASS LIFE FOR FRANCHISE OPERATIONS.**

7 (a) IN GENERAL.—Section 168(e)(3)(E) of the Inter-
8 nal Revenue Code of 1996 (classifying certain property as
9 15-year property) is amended by striking “and” at the end
10 of the clause (ii), by striking the period at the end of

1 clause (iii) and inserting “, and”, and by adding at the
 2 end the following new clause:

3 “(iv) any section 1250 property which
 4 is a franchise operation subject to section
 5 1253.”.

6 (b) CONFORMING AMENDMENT.—Subparagraph (B)
 7 of section 168(g)(3) of such Code is amended by inserting
 8 after the item relating to subparagraph (E)(iii) in the
 9 table contained therein the following new item:

“(E)(iv) 15”.

10 (c) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to property which is placed in serv-
 12 ice on or after the date of the enactment of this Act and
 13 to which section 168 of the Internal Revenue Code of 1986
 14 applies after the amendment made by section 201 of the
 15 Tax Reform Act of 1986. A taxpayer may elect (in such
 16 form and manner as the Secretary of the Treasury may
 17 prescribe) to have such amendments apply with respect
 18 to any property placed in service before such date and to
 19 which such section so applies.

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