

106TH CONGRESS  
1ST SESSION

# S. 1150

To amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment.

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## IN THE SENATE OF THE UNITED STATES

MAY 27, 1999

Mr. HATCH (for himself, Mr. BAUCUS, Mrs. FEINSTEIN, Mr. KYL, Mr. ROBB, and Mr. BINGAMAN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment.

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 “Semiconductor Equip-  
5 ment Investment Act of 1999”.

6 **SEC. 2. 3-YEAR DEPRECIABLE LIFE FOR SEMICONDUCTOR**  
7 **MANUFACTURING EQUIPMENT.**

8 (a) IN GENERAL.—Subparagraph (A) of section  
9 168(e)(3) of the Internal Revenue Code of 1986 (relating

1 to classification of property) is amended by striking “and”  
 2 at the end of clause (ii), by striking the period at the end  
 3 of clause (iii) and inserting “, and”, and by adding at the  
 4 end the following new clause:

5 “(iv) any semiconductor manufacturing  
 6 equipment.”

7 (b) CONFORMING AMENDMENTS.—

8 (1) Subparagraph (B) of section 168(e)(3) of  
 9 such Code is amended—

10 (A) by striking clause (ii),

11 (B) by redesignating clauses (iii) through  
 12 (vi) as clauses (ii) through (v), respectively, and

13 (C) by striking “clause (vi)(I)” in the last  
 14 sentence and inserting “clause (v)(I)”.

15 (2) Subparagraph (B) of section 168(g)(3) of  
 16 such Code is amended by striking the items relating  
 17 to subparagraph (B)(ii) and subparagraph (B)(iii)  
 18 and inserting the following:

“(A)(iv) ..... 3  
 “(B)(ii) ..... 9.5”.

19 (c) EFFECTIVE DATE.—The amendments made by  
 20 this section shall apply to equipment placed in service  
 21 after the date of the enactment of this Act.

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