

107TH CONGRESS
1ST SESSION

H. R. 1802

To amend the Internal Revenue Code of 1986 to modify the depreciation
of property used in the generation of electricity.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2001

Mr. HERGER (for himself, Mr. JEFFERSON, and Mr. ENGLISH) 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 modify
the depreciation of property used in the generation of
electricity.

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. DEPRECIATION OF PROPERTY USED IN THE**
4 **GENERATION OF ELECTRICITY.**

5 (a) DEPRECIATION OF PROPERTY USED IN THE
6 GENERATION OF ELECTRICITY.—

7 (1) IN GENERAL.—Subparagraph (C) of section
8 168(e)(3) of the Internal Revenue Code of 1986 (re-
9 lating to 7-year property) is amended by striking
10 “and” at the end of clause (i), by redesignating

1 clause (ii) as clause (iii), and by inserting after
 2 clause (i) the following new clause:

3 “(ii) any property used in the genera-
 4 tion of electricity, and”.

5 (2) 10-YEAR CLASS LIFE.—The table contained
 6 in section 168(g)(3)(B) of such Code is amended by
 7 inserting below the item relating to subparagraph
 8 (C)(i) the following new item:

“(C)(ii) 10”.

9 (b) DEFINITION OF PROPERTY USED IN THE GEN-
 10 ERATION OF ELECTRICITY.—Subsection (i) of section 168
 11 of such Code is amended by adding at the end the fol-
 12 lowing new paragraph:

13 “(15) PROPERTY USED IN THE GENERATION OF
 14 ELECTRICITY.—The term ‘property used in the gen-
 15 eration of electricity’ means property used in nuclear
 16 power production of electricity for sale, property
 17 used in hydraulic power production of electricity for
 18 sale, property used in steam power production of
 19 electricity for sale, and property used in combustion
 20 turbine production of electricity for sale. Such term
 21 shall not include any property which, without regard
 22 to this paragraph, has a class life of less than 10
 23 years.”

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to property placed in service after
3 the date of the enactment of this Act.

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