

108TH CONGRESS  
1ST SESSION

# H. R. 2855

To amend the Internal Revenue Code of 1986 to permanently extend the 50-percent bonus depreciation added by the Jobs and Growth Tax Relief Reconciliation Act of 2003.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2003

Mr. WELLER (for himself, Mr. UPTON, Mr. ENGLISH, Mr. KOLBE, Mr. BURR, and Mr. GARY G. MILLER of California) 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 permanently extend the 50-percent bonus depreciation added by the Jobs and Growth Tax Relief Reconciliation Act of 2003.

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. PERMANENT EXTENSION OF 50-PERCENT**  
4 **BONUS DEPRECIATION.**

5 (a) IN GENERAL.—Subparagraph (B) of section  
6 168(k)(4) of the Internal Revenue Code of 1986 (relating  
7 to special allowance for certain property acquired after  
8 September 10, 2001, and before January 1, 2005), as  
9 amended by section 201 of the Jobs and Growth Tax Re-

1 lief Reconciliation Act of 2003, is amended to read as fol-  
 2 lows:

3           “(B) 50-PERCENT BONUS DEPRECIATION  
 4           PROPERTY.—For purposes of this subsection,  
 5           the term ‘50-percent bonus depreciation prop-  
 6           erty’ means property described in paragraph  
 7           (2)(A)(i)—

8                   “(i) the original use of which com-  
 9                   mences with the taxpayer after May 5,  
 10                   2003, and

11                   “(ii) which is acquired by the taxpayer  
 12                   after May 5, 2003, 2005, but only if no  
 13                   written binding contract for the acquisition  
 14                   was in effect before May 6, 2003.”

15           (b) REPEAL OF TERMINATION DATES FOR 30-PER-  
 16           CENT BONUS DEPRECIATION PROPERTY.—Subparagraph  
 17           (A) of section 168(k)(2) of such Code, as so amended, is  
 18           amended by adding “and” at the end of clause (ii) and  
 19           by striking clauses (iii) and (iv) and inserting the following  
 20           new clause:

21                   “(iii) which is—

22                           “(I) acquired by the taxpayer  
 23                           after September 10, 2001, but only if  
 24                           no written binding contract for the ac-

1                   quisition was in effect before Sep-  
2                   tember 11, 2001, or

3                   “**(II)** acquired by the taxpayer  
4                   pursuant to a written binding contract  
5                   which was entered into after Sep-  
6                   tember 10, 2001.”

7           (c) **TECHNICAL AMENDMENTS.**—

8                   (1) Paragraph (2) of section 168(k) of such  
9                   Code is amended by striking subparagraph (B) and  
10                  by redesignating the succeeding subparagraphs ac-  
11                  cordingly.

12                  (2) Clause (i) of section 168(k)(2)(C), as reded-  
13                  ignated by paragraph (1), is amended by striking  
14                  “and before January 1, 2005”.

15                  (3) The subsection heading for section 168(k) is  
16                  amended by striking “, AND BEFORE JANUARY 1,  
17                  2005”.

18           (d) **EFFECTIVE DATE.**—The amendments made by  
19           this section shall apply to taxable years beginning after  
20           the date of the enactment of this Act.

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