

108TH CONGRESS
1ST SESSION

S. 158

To amend the Internal Revenue Code of 1986 to expand the depreciation benefits available to small businesses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 14, 2003

Ms. SNOWE (for herself and Mr. BOND) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to expand the depreciation benefits available to small businesses, and for other purposes.

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 Ex-
5 pensing Improvement Act of 2003”.

6 **SEC. 2. MODIFICATIONS TO EXPENSING UNDER SECTION**

7 **179.**

8 (a) INCREASE OF AMOUNT WHICH MAY BE EX-
9 PENSED.—

1 (1) IN GENERAL.—Paragraph (1) of section
2 179(b) of the Internal Revenue Code of 1986 (relat-
3 ing to dollar limitation) is amended to read as fol-
4 lows:

5 “(1) DOLLAR LIMITATION.—The aggregate cost
6 which may be taken into account under subsection
7 (a) for any taxable year shall not exceed \$75,000.”

8 (2) INCREASE IN PHASEOUT THRESHOLD.—
9 Paragraph (2) of section 179(b) of such Code is
10 amended by striking “\$200,000” and inserting
11 “\$325,000”.

12 (3) INFLATION ADJUSTMENT OF DOLLAR
13 AMOUNTS.—Subsection (b) of section 179 of such
14 Code is amended by adding at the end the following
15 new paragraph:

16 “(5) INFLATION ADJUSTMENT.—In the case of
17 any taxable year beginning in a calendar year after
18 2003, each dollar amount contained in paragraph
19 (1) or (2) shall be increased by an amount equal
20 to—

21 “(A) such dollar amount, multiplied by

22 “(B) the cost-of-living adjustment deter-
23 mined under section 1(f)(3) for the calendar
24 year in which the taxable year begins by sub-

1 stituting ‘calendar year 2002’ for ‘calendar year
2 1992’ in subparagraph (B) thereof.

3 If any amount, as adjusted under the preceding sen-
4 tence, is not a multiple of \$1,000 (\$10,000 in the
5 case of the dollar amount contained in paragraph
6 (2)), such amount shall be rounded to the nearest
7 multiple of \$1,000 or \$10,000, as the case may be.”

8 (b) **EFFECTIVE DATE.**—The amendments made by
9 this section shall apply to property placed in service in
10 taxable years beginning after December 31, 2002.

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