

108TH CONGRESS
1ST SESSION

S. 879

To amend the Internal Revenue Code of 1986 to increase and extend the special depreciation allowance, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 10, 2003

Mr. SMITH 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 increase and extend the special depreciation allowance, 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 “Economic Stimulus
5 Act of 2003”.

6 **SEC. 2. EXPANSION OF SPECIAL DEPRECIATION ALLOW-**
7 **ANCE.**

8 (a) IN GENERAL.—Subsection (k) of section 168 (re-
9 lating to accelerated cost recovery system) is amended—

1 (1) by adding at the end of paragraph (1) the
2 following new flush sentence:

3 “In the case of any qualified property acquired by
4 the taxpayer pursuant to a written binding contract
5 which was entered into after the date of the enact-
6 ment of the Economic Stimulus Act of 2003, sub-
7 paragraph (A) shall be applied by substituting ‘50
8 percent’ for ‘30 percent.’”,

9 (2) by redesignating subclauses (III) and (IV)
10 of paragraph (2)(A)(i) as subclauses (IV) and (V),
11 respectively,

12 (3) by inserting after subclause (II) of para-
13 graph (2)(A)(i) the following new subclause:

14 “(III) which is a motion picture
15 film or videotape (as defined in sec-
16 tion 167(f)(1)(B) for which a deduc-
17 tion is allowable under section 167
18 without regard to this subsection.”,

19 (4) by striking clause (iv) of paragraph (2)(A)
20 and inserting the following new clause:

21 “(iv) which is placed in service by the
22 taxpayer—

23 “(I) except as provided in sub-
24 clauses (II) and (III), before April 1,
25 2010,

1 “(II) in the case of transpor-
2 tation property described in subpara-
3 graph (B), before the later of the date
4 which is 90 days after delivery of such
5 property or which is 10 years after
6 the date of the enactment of the Eco-
7 nomic Stimulus Act of 2003, or

8 “(III) in the case of other prop-
9 erty described in subparagraph (B),
10 before January 1, 2011.”,

11 (5) by inserting “transportation property which
12 meets the requirements of clauses (i), (ii), and (iii)
13 of subparagraph (A), or other” before “property” in
14 the matter preceding subclause (I) of paragraph
15 (2)(B)(i),

16 (6) by striking “production before September
17 11, 2004.” in paragraph (2)(B)(ii) and inserting
18 “production—

19 “(I) with respect to transpor-
20 tation property, before the earlier of
21 the date which is 90 days after deliv-
22 ery of such property or which is 10
23 years after the date of the enactment
24 of the Economic Stimulus Act of
25 2003, and

1 “(II) with respect to other prop-
2 erty, before January 1, 2010.”,

3 (7) by striking “SEPTEMBER 11, 2004” in the
4 heading of clause (ii) of paragraph (2)(B) and in-
5 serting “CERTAIN”,

6 (8) by striking “subparagraph” in paragraph
7 (2)(B)(iii) and inserting “paragraph”,

8 (9) by striking “September 11, 2004” each
9 place it appears in the subsection and inserting
10 “January 1, 2010”, and

11 (10) by striking “SEPTEMBER 11, 2004” in the
12 heading thereof and inserting “JANUARY 1, 2010”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) The heading for clause (i) of section
15 1400L(b)(2)(C) of the Internal Revenue Code of
16 1986 is amended by striking “30 PERCENT ADDI-
17 TIONAL” and inserting “ADDITIONAL”.

18 (2) Section 1400L(b)(2)(D) of such Code is
19 amended by inserting “(as in effect on the day after
20 the date of the enactment of this section)” after
21 “section 168(k)(2)(D)”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to property acquired after the date

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1 of the enactment of this Act, in taxable years ending after
2 such date.

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