

109TH CONGRESS
1ST SESSION

H. R. 4286

To amend the Internal Revenue Code of 1986 to allow electric utility companies to expense the cost of replacing above-ground electric transmission lines with underground electric transmission lines.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 2005

Mr. SHAW 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 allow electric utility companies to expense the cost of replacing above-ground electric transmission lines with underground electric transmission lines.

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. EXPENSING OF CERTAIN REPLACEMENT UN-**
4 **DERGROUND ELECTRIC TRANSMISSION**
5 **LINES.**

6 (a) IN GENERAL.—Part VI of subchapter B of chap-
7 ter 1 of the Internal Revenue Code of 1986 (relating to
8 itemized deductions for individuals and corporations) is

1 amended by inserting after section 179D the following new
 2 section:

3 **“SEC. 179E. ELECTION TO EXPENSE CERTAIN REPLACE-**
 4 **MENT UNDERGROUND ELECTRIC TRANS-**
 5 **MISSION LINES.**

6 “(a) IN GENERAL.—A qualified public electric utility
 7 may elect to treat the cost of any qualified underground
 8 transmission line as an expense which is not chargeable
 9 to capital account. Any cost so treated shall be allowed
 10 as a deduction for the taxable year in which the qualified
 11 underground transmission line is placed in service.

12 “(b) QUALIFIED UNDERGROUND TRANSMISSION
 13 LINE.—For purposes of this section, the term ‘qualified
 14 underground transmission line’ means any line for the
 15 transmission of electricity—

16 “(1) which is run underground,

17 “(2) which replaces a line for the transmission
 18 of electricity which is run above ground,

19 “(3) which is section 179 property, and

20 “(4) the original use of which commences with
 21 the taxpayer.

22 “(c) QUALIFIED PUBLIC ELECTRIC UTILITY.—For
 23 purposes of this section, the term ‘qualified public electric
 24 utility’ means any person engaged in the sale of electricity

1 to residential, commercial, or industrial customers for use
2 by such customers.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 for part VI of subchapter B of chapter 1 of such Code
5 is amended by adding at the end the following new item:

“Sec. 179E. Election to expense certain replacement underground electric
transmission lines.”.

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

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