

109TH CONGRESS  
1ST SESSION

# S. 419

To amend the Internal Revenue Code of 1986 to modify the treatment of qualified restaurant property as 15-year property for purposes of the depreciation deduction.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 17, 2005

Mr. KYL introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to modify the treatment of qualified restaurant property as 15-year property for purposes of the depreciation deduction.

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. MODIFICATION OF TREATMENT OF QUALIFIED**  
4 **RESTAURANT PROPERTY AS 15-YEAR PROP-**  
5 **ERTY FOR PURPOSES OF DEPRECIATION DE-**  
6 **DUCTION.**

7 (a) TREATMENT MADE PERMANENT.—Clause (v) of  
8 section 168(e)(3)(E) of the Internal Revenue Code of

1 1986 (defining 15-year property) is amended by striking  
 2 “placed in service before January 1, 2006”.

3 (b) TREATMENT TO INCLUDE NEW CONSTRUC-  
 4 TION.—Paragraph (7) of section 168(e) of the Internal  
 5 Revenue Code of 1986 (relating to classification of prop-  
 6 erty) is amended to read as follows:

7 “(7) QUALIFIED RESTAURANT PROPERTY.—The  
 8 term ‘qualified restaurant property’ means any sec-  
 9 tion 1250 property which is a building or an im-  
 10 provement to a building if more than 50 percent of  
 11 the building’s square footage is devoted to prepara-  
 12 tion of, and seating for on-premises consumption of,  
 13 prepared meals.”.

14 (c) EFFECTIVE DATE.—The amendments made by  
 15 this section shall apply to any property placed in service  
 16 after the date of the enactment of this Act.

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