

110TH CONGRESS
1ST SESSION

H. R. 345

To amend the Internal Revenue Code of 1986 to temporarily provide a shorter recovery period for the depreciation of certain systems installed in nonresidential buildings.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 9, 2007

Mr. HOEKSTRA 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 temporarily provide a shorter recovery period for the depreciation of certain systems installed in nonresidential buildings.

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 “Cool and Efficient
5 Buildings Investment Act”.

1 **SEC. 2. RECOVERY PERIOD FOR DEPRECIATION OF CER-**
2 **TAIN SYSTEMS INSTALLED IN NONRESIDEN-**
3 **TIAL BUILDINGS.**

4 (a) 20-YEAR RECOVERY PERIOD.—Subparagraph
5 (F) of section 168(e)(3) of the Internal Revenue Code of
6 1986 (relating to 20-year property) is amended to read
7 as follows:

8 “(F) 20-YEAR PROPERTY.—The term ‘20-
9 year property’ means—

10 “(i) initial clearing and grading land
11 improvements with respect to any electric
12 utility transmission and distribution plant,
13 and

14 “(ii) any property—

15 “(I) which is part of a heating,
16 ventilation, air conditioning, or com-
17 mercial refrigeration system,

18 “(II) which is installed on or in
19 a building which is nonresidential real
20 property,

21 “(III) the original use of which
22 commences with the taxpayer, and

23 “(IV) which is placed in service
24 before January 1, 2009.”.

25 (b) REQUIREMENT TO USE STRAIGHT LINE METH-
26 OD.—Paragraph (3) of section 168(b) of such Code (relat-

1 ing to property to which straight line method applies) is
2 amended by redesignating subparagraphs (F), (G), and
3 (H) as subparagraphs (G), (H), and (I), respectively, and
4 by inserting after subparagraph (E) the following new
5 subparagraph:

6 “(F) Property described in subsection
7 (e)(3)(F)(ii).”.

8 (c) ALTERNATIVE SYSTEM.—The table contained in
9 section 168(g)(3)(B) of such Code is amended by striking
10 the item relating to subparagraph (F) and inserting the
11 following new items:

“(F)(i)	25
“(F)(ii)	25”.

12 (d) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to property placed in service after
14 December 31, 2006.

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