

110TH CONGRESS
1ST SESSION

S. 269

To amend the Internal Revenue Code of 1986 to increase and permanently extend the expensing of certain depreciable business assets for small businesses.

IN THE SENATE OF THE UNITED STATES

JANUARY 11, 2007

Ms. SNOWE (for herself, Mr. LOTT, Mr. ISAKSON, Mr. CHAMBLISS, and Ms. COLLINS) 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 permanently extend the expensing of certain depreciable business assets for small businesses.

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. INCREASE AND PERMANENT EXTENSION FOR**
4 **EXPENSING FOR SMALL BUSINESS.**

5 (a) IN GENERAL.—Paragraph (1) of section 179(b)
6 of the Internal Revenue Code of 1986 (relating to dollar
7 limitation) is amended by striking “\$25,000 (\$100,000 in
8 the case of taxable years beginning after 2002 and before
9 2010)” and inserting “\$200,000”.

1 (b) INCREASE IN QUALIFYING INVESTMENT AT
 2 WHICH PHASEOUT BEGINS.—Paragraph (2) of section
 3 179(b) of such Code (relating to reduction in limitation)
 4 is amended by striking “\$200,000 (\$400,000 in the case
 5 of taxable years beginning after 2002 and before 2010)”
 6 and inserting “\$800,000”.

7 (c) INFLATION ADJUSTMENTS.—Section
 8 179(b)(5)(A) of such Code (relating to inflation adjust-
 9 ments) is amended—

10 (1) in the matter preceding clause (i)—

11 (A) by striking “after 2003 and before
 12 2010” and inserting “after 2007”, and

13 (B) by striking “the \$100,000 and
 14 \$400,000 amounts” and inserting “the
 15 \$200,000 and \$800,000 amounts”, and

16 (2) in clause (ii), by striking “calendar year
 17 2002” and inserting “calendar year 2006”.

18 (d) REVOCATION OF ELECTION.—Section 179(c)(2)
 19 of such Code (relating to election irrevocable) is amended
 20 to read as follows:

21 “(2) REVOCABILITY OF ELECTION.—Any elec-
 22 tion made under this section, and any specification
 23 contained in any such election, may be revoked by
 24 the taxpayer with respect to any property, and such
 25 revocation, once made, shall be irrevocable.”.

1 (e) OFF-THE-SHELF COMPUTER SOFTWARE.—Sec-
2 tion 179(d)(1)(A)(ii) of such Code (relating to section 179
3 property) is amended by striking “and before 2010”.

4 (f) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2006.

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