

111TH CONGRESS
1ST SESSION

S. 1402

To amend the Internal Revenue Code of 1986 to increase the amount allowed as a deduction for start-up expenditures.

IN THE SENATE OF THE UNITED STATES

JULY 7, 2009

Mr. MERKLEY (for himself and Mr. ALEXANDER) 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 the amount allowed as a deduction for start-up expenditures.

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 “Small Business Jump
5 Start Act of 2009”.

6 **SEC. 2. INCREASE IN AMOUNT ALLOWED AS DEDUCTION**
7 **FOR START-UP EXPENDITURES.**

8 (a) IN GENERAL.—Subsection (b) of section 195 of
9 the Internal Revenue Code of 1986 is amended by adding
10 at the end the following new paragraph:

1 “(3) SPECIAL RULE FOR TAXABLE YEARS BE-
2 GINNING IN 2009, 2010, OR 2011.—In the case of a
3 taxable year beginning in 2009, 2010, or 2011,
4 paragraph (1)(A)(ii) shall be applied—

5 “(A) by substituting ‘\$10,000’ for
6 ‘\$5,000’, and

7 “(B) by substituting ‘\$60,000’ for
8 ‘\$50,000’.”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to amounts paid or incurred in tax-
11 able years beginning after the date of the enactment of
12 this Act.

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