

111TH CONGRESS
1ST SESSION

S. 304

To amend the Internal Revenue Code of 1986 to stimulate business investment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 22, 2009

Mr. DORGAN 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 stimulate business investment, and for other purposes.

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 “Main Street Recovery
5 Act”.

6 **SEC. 2. TEMPORARY REINSTATEMENT OF REGULAR IN-**
7 **VESTMENT TAX CREDIT.**

8 The current year business credit under section 38 of
9 Internal Revenue Code of 1986 shall include the amount
10 that would be determined under section 46(a) of such

1 Code (without regard to paragraphs (2) and (3) of such
 2 subsection) (as such Code was in effect before the amend-
 3 ments made by the Revenue Reconciliation Act of 1990
 4 (Public Law 101–508)) with respect to property placed
 5 in service after 2008 and before July 1, 2010, if the reg-
 6 ular percentage were 15 percent.

7 **SEC. 3. TEMPORARY EXTENSION AND MODIFICATION OF**
 8 **SPECIAL ALLOWANCE FOR CERTAIN PROP-**
 9 **ERTY.**

10 (a) TEMPORARY EXTENSION.—

11 (1) IN GENERAL.—Paragraph (2) of section
 12 168(k) of the Internal Revenue Code of 1986 is
 13 amended—

14 (A) by striking “January 1, 2010” and in-
 15 serting “July 1, 2011”, and

16 (B) by striking “January 1, 2009” each
 17 place it appears and inserting “July 1, 2010”.

18 (2) CONFORMING AMENDMENTS.—

19 (A) The heading for subsection (k) of sec-
 20 tion 168 of such Code is amended by striking
 21 “JANUARY 1, 2009” and inserting “JULY 1,
 22 2010”.

23 (B) The heading for clause (ii) of section
 24 168(k)(2)(B) of such Code is amended by strik-

ing “PRE-JANUARY 1, 2009” and inserting “PRE-JULY 1, 2010”.

(C) Subparagraph (D) of section 168(k)(4) of such Code is amended—

(i) by striking “and” at the end of clause (i),

(ii) by redesignating clause (ii) as clause (v), and

(iii) by inserting after clause (i) the following new clauses:

“(ii) ‘April 1, 2008’ shall be substituted for ‘January 1, 2008’ in subparagraph (A)(iii)(I) thereof,

“(iii) ‘January 1, 2009’ shall be substituted for ‘July 1, 2010’ each place it appears,

“(iv) ‘January 1, 2010’ shall be substituted for ‘July 1, 2011’ in subparagraph (A)(iv) thereof, and”.

(D) Subparagraph (B) of section 168(l)(5) of such Code is amended by striking “January 1, 2009” and inserting “July 1, 2010”.

(E) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by strik-

1 ing “January 1, 2009” and inserting “July 1,
2 2010”.

3 (b) EXPANSION TO CERTAIN REAL PROPERTY.—

4 (1) IN GENERAL.—Section 168(k)(2)(A)(i) of
5 the Internal Revenue Code of 1986 is amended by
6 striking “or” at the end of subclause (III), by insert-
7 ing “or” at the end of subclause (IV), and by insert-
8 ing after subclause (IV) the following new subclause:

9 “(V) which is nonresidential real
10 property or residential rental prop-
11 erty,”.

12 (2) CONFORMING AMENDMENTS.—Sections
13 1400L(b)(2)(A)(i)(I) and 1400N(d)(2)(A)(i)(I) of
14 such Code are each amended by inserting “subclause
15 (I), (II), (III), or (IV) of” before “section
16 168(k)(2)(A)(i)”.

17 (c) EFFECTIVE DATES.—

18 (1) IN GENERAL.—Except as provided in para-
19 graph (2), the amendments made by this section
20 shall apply to property placed in service after De-
21 cember 31, 2008, in taxable years ending after such
22 date.

23 (2) TECHNICAL AMENDMENT.—Section
24 168(k)(4)(D)(ii) of the Internal Revenue Code of

1 1986, as added by subsection (a)(2)(C)(iii), shall
 2 apply to taxable years ending after March 31, 2008.

3 **SEC. 4. TEMPORARY INCREASE IN LIMITATIONS ON, AND**
 4 **MODIFICATION OF, EXPENSING OF CERTAIN**
 5 **DEPRECIABLE BUSINESS ASSETS.**

6 (a) IN GENERAL.—Paragraph (7) of section 179(b)
 7 of the Internal Revenue Code of 1986 is amended—

8 (1) by inserting “, 2009, AND 2010” after “2008”
 9 in the heading, and

10 (2) by inserting “, 2009, or 2010” after “In the
 11 case of any taxable year beginning in 2008”.

12 (b) EXPENSING AVAILABLE FOR ALL TANGIBLE DE-
 13 PRECIABLE PROPERTY.—Section 179(d)(1) of the Inter-
 14 nal Revenue Code of 1986 (defining section 179 property)
 15 is amended by inserting “and” at the end of subparagraph
 16 (A)(ii), by striking subparagraph (B), and by redesignig-
 17 nating subparagraph (C) as subparagraph (B).

18 (c) EFFECTIVE DATE.—The amendments made by
 19 this section shall apply to taxable years beginning after
 20 December 31, 2008.

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