

114TH CONGRESS  
1ST SESSION

# H. R. 3933

To amend the Internal Revenue Code of 1986 to make permanent the expensing limitations and treatment of certain real property as section 179 property, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 5, 2015

Mr. CONAWAY introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to make permanent the expensing limitations and treatment of certain real property as section 179 property, 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 “179 Act”.

5 **SEC. 2. EXTENSION OF INCREASED EXPENSING LIMITA-**  
6 **TIONS AND TREATMENT OF CERTAIN REAL**  
7 **PROPERTY AS SECTION 179 PROPERTY.**

8 (a) IN GENERAL.—

1           (1) DOLLAR LIMITATION.—Section 179(b)(1) of  
2 the Internal Revenue Code of 1986 is amended to  
3 read as follows:

4           “(1) DOLLAR LIMITATION.—The aggregate cost  
5 which may be taken into account under subsection  
6 (a) for any taxable year shall not exceed \$500,000.”.

7           (2) REDUCTION IN LIMITATION.—Section  
8 179(b)(2) of such Code is amended to read as fol-  
9 lows:

10           “(2) REDUCTION IN LIMITATION.—The limita-  
11 tion under paragraph (1) for any taxable year shall  
12 be reduced (but not below zero) by the amount by  
13 which the cost of section 179 property placed in  
14 service during such taxable year exceeds  
15 \$2,000,000.”.

16           (b) COMPUTER SOFTWARE.—Section  
17 179(d)(1)(A)(ii) of such Code is amended by striking “and  
18 before 2015”.

19           (c) ELECTION.—Section 179(c)(2) of such Code is  
20 amended by striking “and before 2015”.

21           (d) SPECIAL RULES FOR TREATMENT OF QUALIFIED  
22 REAL PROPERTY.—

23           (1) IN GENERAL.—Section 179(f)(1) of such  
24 Code is amended by striking “and before 2015”.

1           (2)       CARRYOVER       LIMITATION.—Section  
2       179(f)(4) of such Code is amended to read as fol-  
3       lows:

4           “(4) CARRYOVER LIMITATION.—For purposes  
5       of applying this paragraph and subsection (b)(3)(B)  
6       to any taxable year, the amount which is disallowed  
7       under subsection (b)(3)(A) for such taxable year  
8       which is attributed to qualified real property shall be  
9       the amount which bears the same ratio to the total  
10      amount so disallowed as—

11           “(A) the aggregate amount attributable to  
12      qualified real property placed in service during  
13      such taxable year, increased by the portion of  
14      any amount carried over to such taxable year  
15      from a prior taxable year which is attributable  
16      to such property, bears to

17           “(B) the total amount of section 179 prop-  
18      erty placed in service during such taxable year,  
19      increased by the aggregate amount carried over  
20      to such taxable year from any prior taxable  
21      year.

22      For purposes of the preceding sentence, only section  
23      179 property with respect to which an election was  
24      made under subsection (c)(1) shall be taken into ac-  
25      count.”.

1       (e) TIME WHEN PROPERTY TREATED AS PLACED IN  
2 SERVICE FOR 2016.—Section 179(d) of such Code is  
3 amended by adding at the end the following:

4           “(11) TIME WHEN PROPERTY TREATED AS  
5 PLACED IN SERVICE.—For purposes of this section,  
6 section 179 property placed in service during the  
7 first quarter of the first taxable year beginning in  
8 2016 by a taxpayer shall be treated as having placed  
9 such property in service on the last day of the pre-  
10 ceding taxable year if the taxpayer elects such treat-  
11 ment with respect to such preceding taxable year in  
12 accordance with subsection (c).”.

13       (f) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply to taxable years beginning after  
15 December 31, 2014.

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