

107TH CONGRESS  
1ST SESSION

# H. R. 1507

To amend the Internal Revenue Code of 1986 to classify certain franchise operation property as 15-year depreciable property.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2001

Mr. RAMSTAD (for himself and Mr. LEWIS of Kentucky) 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 classify certain franchise operation property as 15-year depreciable property.

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 Fran-  
5 chise Property Recovery Act of 2001”.

6 **SEC. 2. CLASS LIFE FOR FRANCHISE OPERATIONS.**

7 (a) IN GENERAL.—Section 168(e)(3)(E) of the Inter-  
8 nal Revenue Code of 1996 (classifying certain property as  
9 15-year property) is amended by striking “and” at the end  
10 of the clause (ii), by striking the period at the end of

1 clause (iii) and inserting “, and”, and by adding at the  
2 end the following new clause:

3 “(iv) any section 1250 property which  
4 is a franchise operation subject to section  
5 1253.”.

6 (b) CONFORMING AMENDMENT.—Subparagraph (B)  
7 of section 168(g)(3) of such Code is amended by inserting  
8 after the item relating to subparagraph (E)(iii) in the  
9 table contained therein the following new item:

“(E)(iv) ..... 15”.

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to—

12 (1) property placed in service on or after the  
13 date of the enactment of this Act, and

14 (2) property placed in service before such date  
15 if the taxpayer elects (in such form and manner as  
16 the Secretary of the Treasury may prescribe) to  
17 have such amendments apply to such property.

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