

108TH CONGRESS
2D SESSION

H. R. 5427

To clarify that State tax incentives for business investment in equipment and facilities are a reasonable regulation of commerce and are not an undue burden upon interstate commerce.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2004

Mr. CHANDLER introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To clarify that State tax incentives for business investment in equipment and facilities are a reasonable regulation of commerce and are not an undue burden upon interstate commerce.

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 “Jobs Investment Act
5 of 2004”.

1 **SEC. 2. STATE TAX INCENTIVES FOR INVESTMENT IN THE**
2 **ACQUISITION, CONSTRUCTION, INSTALLA-**
3 **TION, AND REHABILITATION OF IMPROVE-**
4 **MENTS, REAL ESTATE, FIXTURES, EQUIP-**
5 **MENT, AND FACILITIES.**

6 (a) IN GENERAL.—A State may provide to any enti-
7 ty—

8 (1) a credit against any tax or fee owed to the
9 State under a State law; or

10 (2) any other tax incentive, determined by the
11 State to be appropriate, in an amount calculated
12 under a formula determined by the State, for invest-
13 ment in the acquisition, construction, installation,
14 and rehabilitation of improvements, real estate, fix-
15 tures, equipment, and facilities located in the State
16 by the entity that receives such credit or such incen-
17 tive.

18 (b) EFFECT ON INTERSTATE COMMERCE.—Any ac-
19 tion taken by a State in accordance with this section with
20 respect to a tax or fee payable, or incentive applicable,
21 for any period beginning after the date of the enactment
22 of this Act shall—

23 (1) be considered to be a reasonable regulation
24 of commerce; and

1 (2) not be considered an undue burden in inter-
2 state commerce or otherwise impair, restrain, or dis-
3 criminate against interstate commerce.

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