

109TH CONGRESS  
1ST SESSION

# H. R. 1131

To amend the Internal Revenue Code of 1986 to classify automatic fire sprinkler systems as 5-year property for purposes of depreciation.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 2005

Mr. WELDON of Pennsylvania (for himself, Mr. BASS, Mr. CANTOR, Mr. CLAY, Mr. COSTELLO, Mr. ENGLISH of Pennsylvania, Mr. FITZPATRICK of Pennsylvania, Mr. GALLEGLY, Mr. HALL, Mr. HINCHEY, Mr. HOLDEN, Mr. HYDE, Mrs. JONES of Ohio, Mrs. MALONEY, Mr. MCHUGH, Mr. MCINTYRE, Mr. OWENS, Ms. PRYCE of Ohio, Mr. REHBERG, Mr. ROGERS of Michigan, Mr. SHIMKUS, Mr. SOUDER, Mr. UPTON, Mr. WILSON of South Carolina, Mr. ACKERMAN, Mr. CARNAHAN, Mr. EVANS, Mr. GILCHREST, Mr. GORDON, Mr. HOLT, Mr. INSLEE, Ms. JACKSON-LEE of Texas, Mr. KILDEE, Mr. LARSON of Connecticut, Mrs. LOWEY, Mr. RUSH, Mr. TOWNS, Mr. WEXLER, and Mr. KENNEDY of Rhode Island) 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 automatic fire sprinkler systems as 5-year property for purposes of depreciation.

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 “Fire Sprinkler Incen-  
5 tive Act of 2005”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds that—

3 (1) since the publication of the original study  
4 and comprehensive list of recommendations in Amer-  
5 ica Burning, written in 1974, requested advances in  
6 fire prevention through the installation of automatic  
7 sprinkler systems in existing buildings have yet to be  
8 fully implemented;

9 (2) fire departments responded to approxi-  
10 mately 1,700,000 fires in 2003;

11 (3) there were 3,925 civilian deaths and 18,125  
12 civilian injuries resulting from fire in the United  
13 States in 2003;

14 (4) 111 firefighters were killed in 2003;

15 (5) fire caused \$12,300,000,000 in direct prop-  
16 erty damage in 2003, and sprinklers are responsible  
17 for a 70 percent reduction in property damage from  
18 fires in public assembly, educational, residential,  
19 commercial, industrial and manufacturing buildings;

20 (6) fire departments respond to a fire every 20  
21 seconds, a fire breaks out in a structure every 61  
22 seconds and in a residential structure every 79 sec-  
23 onds in the United States;

24 (7) the Station Nightclub in West Warwick,  
25 Rhode Island, did not contain an automated sprin-

1 kler system and burned down, killing 100 people on  
2 February 20, 2003;

3 (8) due to an automated sprinkler system, not  
4 a single person was injured from a fire beginning in  
5 the Fine Line Music Café in Minneapolis after the  
6 use of pyrotechnics on February 17, 2003;

7 (9) the National Fire Protection Association  
8 has no record of a fire killing more than 2 people  
9 in a completely sprinklered public assembly, edu-  
10 cational, institutional or residential building where  
11 the system was properly installed and fully oper-  
12 ational;

13 (10) sprinkler systems dramatically improve the  
14 chances of survival of those who cannot save them-  
15 selves, specifically older adults, young children and  
16 people with disabilities;

17 (11) the financial cost of upgrading fire counter  
18 measures in buildings built prior to fire safety codes  
19 is prohibitive for most property owners;

20 (12) many State and local governments lack  
21 any requirements for new structures to contain auto-  
22 matic sprinkler systems;

23 (13) under the present straight-line method of  
24 depreciation, there is a disincentive for building safe-

1 ty improvements due to an extremely low rate of re-  
2 turn on investment; and

3 (14) the Nation is in need of incentives for the  
4 voluntary installation and retrofitting of buildings  
5 with automated sprinkler systems to save the lives of  
6 countless individuals and responding firefighters as  
7 well as drastically reduce the costs from property  
8 damage.

9 **SEC. 3. CLASSIFICATION OF AUTOMATIC FIRE SPRINKLER**  
10 **SYSTEMS.**

11 (a) IN GENERAL.—Subparagraph (B) of section  
12 168(e)(3) of the Internal Revenue Code of 1986 (relating  
13 to 5-year property) is amended by striking “and” at the  
14 end of clause (V), by striking the period at the end of  
15 clause (vi) and inserting “, and ”, and by adding at the  
16 end the following:

17 “(vii) any automatic fire sprinkler sys-  
18 tem placed in service after April 11, 2003,  
19 in a building structure which was placed in  
20 service before such date.”.

21 (b) ALTERNATIVE SYSEM.—The table contained in  
22 section 168(g)(3)(B) of the Internal Revenue Code of  
23 1986 is amended by inserting after the third item the fol-  
24 lowing:

“(B)(vii) ..... 7”.

1           (c) DEFINITION OF AUTOMATIC FIRE SPRINKLER  
2 SYSTEM.—Subsection (i) of section 168 of the Internal  
3 Revenue Code of 1986 is amended by adding at the end  
4 the following:

5           “(17) AUTOMATED FIRE SPRINKLER SYSTEM.—  
6           The term ‘automated fire sprinkler system’ means  
7           those sprinkler systems classified under one or more  
8           of the following publications of the National Fire  
9           Protection Association—

10                   “(A) NFPA 13, Installation of Sprinkler  
11                   Systems,

12                   “(B) NFPA 13 D, Installation of Sprin-  
13                   kler Systems in One and Two Family Dwellings  
14                   and Manufactured Homes, and

15                   “(C) NFPA 13 R, Installation of Sprinkler  
16                   Systems in Residential Occupancies up to and  
17                   Including Four Stories in Height.”.

18           (d) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to property placed in service after  
20 April 11, 2003.

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