

109TH CONGRESS
2D SESSION

S. 2345

To amend the Internal Revenue Code of 1986 to exempt passenger vehicles eligible for the alternative motor vehicle credit and the credit for qualified electric vehicles from the limitation on depreciation for luxury automobiles.

IN THE SENATE OF THE UNITED STATES

MARCH 1, 2006

Mr. GRASSLEY (for himself and Mr. BAUCUS) 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 exempt passenger vehicles eligible for the alternative motor vehicle credit and the credit for qualified electric vehicles from the limitation on depreciation for luxury automobiles.

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 “America’s Business
5 Choice Act”.

1 **SEC. 2. EXCEPTION FROM DEPRECIATION LIMITATION FOR**
 2 **CERTAIN ALTERNATIVE AND ELECTRIC PAS-**
 3 **SENGER AUTOMOBILES.**

4 (a) IN GENERAL.—Paragraph (1) of section 280F(a)
 5 of the Internal Revenue Code of 1986 (relating to limita-
 6 tion) is amended by adding at the end the following new
 7 subparagraph:

8 “(D) SPECIAL RULE FOR CERTAIN ALTER-
 9 NATIVE MOTOR VEHICLES AND QUALIFIED
 10 ELECTRIC VEHICLES.—Subparagraph (A) shall
 11 not apply to any motor vehicle for which a cred-
 12 it is allowable under section 30 or 30B.”.

13 (b) CONFORMING AMENDMENT.—Subparagraph (C)
 14 of section 280F(a)(1) of the Internal Revenue Code of
 15 1986 is amended by striking clause (ii) and by redesignig-
 16 nating clause (iii) as clause (ii).

17 (c) EFFECTIVE DATE.—The amendments made by
 18 this section shall apply to property placed in service after
 19 the date of the enactment of this Act.

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