

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4655

To amend the Internal Revenue Code of 1986 to provide a 1-year extension of the increased expensing of certain depreciable business assets and the special depreciation allowance for certain business property.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 2010

Mr. BRIGHT 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 provide a 1-year extension of the increased expensing of certain depreciable business assets and the special depreciation allowance for certain business 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 Expan-  
5       sion and Job Creation Act of 2010”.

1 **SEC. 2. EXTENSION OF INCREASE IN LIMITATION ON EX-**  
2 **PENSING OF CERTAIN DEPRECIABLE BUSI-**  
3 **NESS ASSETS.**

4 (a) EXTENSION OF INCREASED LIMITATIONS.—  
5 Paragraph (7) of section 179(b) of the Internal Revenue  
6 Code of 1986 is amended—

7 (1) by striking “or 2009” and inserting “2009,  
8 or 2010”, and

9 (2) by striking “AND 2009” in the heading and  
10 inserting “2009, AND 2010”.

11 (b) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to taxable years beginning after  
13 December 31, 2009.

14 **SEC. 3. SPECIAL ALLOWANCE FOR CERTAIN PROPERTY AC-**  
15 **QUIRED DURING 2010.**

16 (a) EXTENSION OF SPECIAL ALLOWANCE.—

17 (1) IN GENERAL.—Paragraph (2) of section  
18 168(k) of the Internal Revenue Code of 1986 is  
19 amended—

20 (A) by striking “January 1, 2011” and in-  
21 serting “January 1, 2012”, and

22 (B) by striking “January 1, 2010” each  
23 place it appears and inserting “January 1,  
24 2011”.

25 (2) CONFORMING AMENDMENTS.—

1 (A) The heading for subsection (k) of sec-  
2 tion 168 of such Code is amended by striking  
3 “2010” and inserting “2011”.

4 (B) The heading for clause (ii) of section  
5 168(k)(2)(B) of such Code is amended by strik-  
6 ing “PRE-JANUARY 1, 2010” and inserting “PRE-  
7 JANUARY 1, 2011”.

8 (C) Subparagraph (B) of section 168(l)(5)  
9 of such Code is amended by striking “January  
10 1, 2009” and inserting “January 1, 2010”.

11 (D) Subparagraph (C) of section 168(n)(2)  
12 of such Code is amended by striking “January  
13 1, 2009” and inserting “January 1, 2010”.

14 (E) Subparagraph (B) of section  
15 1400N(d)(3) of such Code is amended by strik-  
16 ing “January 1, 2009” and inserting “January  
17 1, 2010”.

18 (b) EXTENSION OF ELECTION TO ACCELERATE THE  
19 AMT AND RESEARCH CREDITS IN LIEU OF BONUS DE-  
20 PRECIATION.—Paragraph (4) of section 168(k) of such  
21 Code (relating to election to accelerate the AMT and re-  
22 search credits in lieu of bonus depreciation) is amended—

23 (1) by striking “January, 1, 2010” and insert-  
24 ing “January 1, 2011” in subparagraph (D)(iii),  
25 and

1           (2) by adding at the end the following new sub-  
2 paragraph:

3                   “(I) SPECIAL RULES FOR 2010 EXTENSION  
4 PROPERTY.—

5                           “(i) TAXPAYERS PREVIOUSLY ELECT-  
6 ING ACCELERATION.—In the case of a tax-  
7 payer who made the election under sub-  
8 paragraph (A) for its first taxable year  
9 ending after March 31, 2008, or under  
10 subparagraph (H) for its first taxable year  
11 ending after December 31, 2008—

12                                   “(I) the taxpayer may elect not  
13 to have this paragraph apply to 2010  
14 extension property, but

15   “(II) if the taxpayer does not  
16 make the election under subclause (I),  
17 in applying this paragraph to the tax-  
18 payer a separate bonus depreciation  
19 amount, maximum amount, and max-  
20 imum increase amount shall be com-  
21 puted and applied to eligible qualified  
22 property which is 2010 extension  
23 property.

24                                   “(ii) TAXPAYERS NOT PREVIOUSLY  
25 ELECTING ACCELERATION.—In the case of

1 a taxpayer who did not make the election  
2 under subparagraph (A) for its first tax-  
3 able year ending after March 31, 2008, or  
4 under subparagraph (H) for its first tax-  
5 able year ending after December 31,  
6 2008—

7 “(I) the taxpayer may elect to  
8 have this paragraph apply to its first  
9 taxable year ending after December  
10 31, 2009, and each subsequent tax-  
11 able year, and

12 “(II) if the taxpayer makes the  
13 election under subclause (I), this  
14 paragraph shall only apply to eligible  
15 qualified property which is 2010 ex-  
16 tension property.

17 “(iii) 2010 EXTENSION PROPERTY.—  
18 For purposes of this subparagraph, the  
19 term ‘2010 extension property’ means  
20 property which is eligible qualified property  
21 solely by reason of the extension of the ap-  
22 plication of the special allowance under  
23 paragraph (1) pursuant to the amend-  
24 ments made by section 2(a) of the Small  
25 Business Expansion and Job Creation Act

1 of 2010 (and the application of such exten-  
2 sion to this paragraph pursuant to the  
3 amendment made by section 2(b)(1) of  
4 such Act).”.

5 (c) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to property placed in service after  
7 December 31, 2009, in taxable years ending after such  
8 date.

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