

111TH CONGRESS  
2D SESSION

# S. 2947

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 SENATE OF THE UNITED STATES

JANUARY 22, 2010

Mr. CARPER (for himself and Ms. COLLINS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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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 2010”.

6 **SEC. 2. CLASSIFICATION OF AUTOMATIC FIRE SPRINKLER**  
7 **SYSTEMS.**

8 (a) IN GENERAL.—Subparagraph (B) of section  
9 168(e)(3) of the Internal Revenue Code of 1986 (relating  
10 to 5-year property) is amended by striking “and” at the

1 end of clause (vi), by striking the period at the end of  
2 clause (vii) and inserting “, and”, and by adding at the  
3 end the following:

4 “(viii) any automated fire sprinkler  
5 system placed in service after April 11,  
6 2003, in a building or structure which was  
7 placed in service before such date.”.

8 (b) ALTERNATIVE SYSTEM.—The table contained in  
9 section 168(g)(3)(B) of the Internal Revenue Code of  
10 1986 is amended by inserting after the item relating to  
11 subparagraph (B)(vii) the following:

“(B)(viii) ..... 7”.

12 (c) DEFINITION OF AUTOMATIC FIRE SPRINKLER  
13 SYSTEM.—Subsection (i) of section 168 of the Internal  
14 Revenue Code of 1986 is amended by adding at the end  
15 the following new paragraph:

16 “(20) AUTOMATED FIRE SPRINKLER SYSTEM.—  
17 The term ‘automated fire sprinkler system’ means  
18 those sprinkler systems classified under one or more  
19 of the following publications of the National Fire  
20 Protection Association—

21 “(A) NFPA 13, Installation of Sprinkler  
22 Systems,

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

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

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

7           (e) WAIVER OF LIMITATIONS.—If refund or credit of  
8 any overpayment of tax resulting from the amendments  
9 made by this section is prevented at any time before the  
10 close of the 1-year period beginning on the date of the  
11 enactment of this Act by the operation of any law or rule  
12 of law (including res judicata), such refund or credit may  
13 nevertheless be made or allowed if claim therefor is filed  
14 before the close of such period.

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