

112TH CONGRESS
2D SESSION

H. R. 4199

To amend the Internal Revenue Code of 1986 to close the corporate jet depreciation loophole and to increase the work opportunity tax credit for veterans.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2012

Mr. RIGELL introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to close the corporate jet depreciation loophole and to increase the work opportunity tax credit for veterans.

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 “Closing Corporate Jet
5 Tax Loopholes to Employ Veterans Act of 2012” or as
6 the “Jets for Vets Act of 2012”.

1 **SEC. 2. GENERAL AVIATION AIRCRAFT TREATED AS 7-YEAR**
2 **PROPERTY.**

3 (a) IN GENERAL.—Subparagraph (C) of section
4 168(e)(3) of the Internal Revenue Code of 1986 (relating
5 to classification of certain property) is amended by strik-
6 ing “and” at the end of clause (iv), by redesignating clause
7 (v) as clause (vi), and by inserting after clause (iv) the
8 following new clause:

9 “(v) any general aviation aircraft,
10 and”.

11 (b) CLASS LIFE.—Paragraph (3) of section 168(g)
12 of the Internal Revenue Code of 1986 is amended by in-
13 serting after subparagraph (E) the following new subpara-
14 graph:

15 “(F) GENERAL AVIATION AIRCRAFT.—In
16 the case of any general aviation aircraft, the re-
17 covery period used for purposes of paragraph
18 (2) shall be 12 years.”.

19 (c) GENERAL AVIATION AIRCRAFT.—Subsection (i)
20 of section 168 of the Internal Revenue Code of 1986 is
21 amended by inserting after paragraph (19) the following
22 new paragraph:

23 “(20) GENERAL AVIATION AIRCRAFT.—The
24 term ‘general aviation aircraft’ means any airplane
25 or helicopter (including airframes and engines) not
26 used in commercial or contract carrying of pas-

1 sengers or freight, but which primarily engages in
2 the carrying of passengers.”.

3 (d) EFFECTIVE DATE.—This section shall be effec-
4 tive for property placed in service after December 31,
5 2012.

6 **SEC. 3. INCREASE IN WORK OPPORTUNITY TAX CREDIT**
7 **FOR VETERANS.**

8 (a) IN GENERAL.—In the case of any taxable year
9 beginning after December 31, 2011, each of the specified
10 veteran WOTC dollar amount limitations shall be in-
11 creased by the corporate jet loophole savings amount with
12 respect to such limitation.

13 (b) SPECIFIED VETERAN WOTC DOLLAR AMOUNT
14 LIMITATION.—For purposes of this section, the term
15 “specified veteran WOTC dollar amount limitation”
16 means each of the \$12,000, \$14,000, and \$24,000
17 amounts contained in section 51(b)(3) of the Internal Rev-
18 enue Code of 1986.

19 (c) CORPORATE JET LOOPHOLE SAVINGS
20 AMOUNT.—For purposes of this section, the term “cor-
21 porate jet loophole savings amount” means, with respect
22 to each specified veteran WOTC dollar amount limitation,
23 the amount obtained by multiplying such limitation by
24 such percentage as the Secretary of the Treasury (or his
25 designee) determines will result in an aggregate decrease

1 in Federal revenue pursuant to this section which is equal
2 to the aggregate increase in Federal revenue which the
3 Secretary (or his designee) determines will result pursuant
4 to section 1.

○