To amend the Internal Revenue Code of 1986 to permanently allow a tax deduction at the time an investment in qualified property is made, and for other purposes.

IN THE SENATE OF THE UNITED STATES

February 13, 2020

Mr. Toomey (for himself, Mr. Perdue, Mr. Tillis, Mr. Cruz, Mr. Rubio, Mr. Risch, Mr. Cramer, Mrs. Capito, Mr. Inhofe, Mr. Gardner, Mr. Portman, Mr. Braun, Mr. Scott of South Carolina, Mr. Moran, and Mr. Lankford) 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 permanently allow a tax deduction at the time an investment in qualified property is made, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Accelerate Long-term Investment Growth Now Act” or the “ALIGN Act”.
SEC. 2. PERMANENT FULL EXPENSING FOR QUALIFIED PROPERTY.

(a) In General.—Paragraph (6) of section 168(k) of the Internal Revenue Code of 1986 is amended to read as follows: 

“(6) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term ‘applicable percentage’ means, in the case of property placed in service (or, in the case of a specified plant described in paragraph (5), a plant which is planted or grafted) after September 27, 2017, 100 percent.”.

(b) Conforming Amendments.—

(1) Section 168(k) of the Internal Revenue Code of 1986 is amended—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (i)(V), by inserting “and” at the end,

(II) in clause (ii), by striking “clause (ii) of subparagraph (E), and” and inserting “clause (i) of subparagraph (E).”, and

(III) by striking clause (iii),

(ii) in subparagraph (B)—

(I) in clause (i)—
(aa) by striking subclauses (II) and (III), and
(bb) by redesignating subclauses (IV) through (VI) as subclauses (II) through (IV), respectively,
(II) by striking clause (ii), and
(III) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively,
(iii) in subparagraph (C)—
(I) in clause (i), by striking “and subclauses (II) and (III) of subparagraph (B)(i)”, and
(II) in clause (ii), by striking “subparagraph (B)(iii)” and inserting “subparagraph (B)(ii)”, and
(iv) in subparagraph (E)—
(I) by striking clause (i), and
(II) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively, and
(B) in paragraph (5)(A), by striking “planted before January 1, 2027, or is grafted before such date to a plant that has already
been planted,” and inserting “planted or grafted”.

(2) Section 460(c)(6)(B) of such Code is amended by striking “which” and all that follows through the period and inserting “which has a recovery period of 7 years or less.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 13201 of Public Law 115–97.

SEC. 3. TECHNICAL AMENDMENTS REGARDING QUALIFIED IMPROVEMENT PROPERTY.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986, as amended by section 2, is amended—

(1) in subsection (e)—

(A) in paragraph (3)(E), by striking “and” at the end of clause (v), by striking the period at the end of clause (vi) and inserting “, and”, and by adding at the end the following new clause:

“(vii) any qualified improvement property.”, and

(B) in paragraph (6)(A), by inserting “made by the taxpayer” after “any improvement”, and
(2) in the table contained in subsection (g)(3)(B)—

(A) by striking the item relating to subparagraph (D)(v), and

(B) by inserting after the item relating to subparagraph (E)(vi) the following new item:

“(E)(vii) ....................................................................................... 20”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 13204 of Public Law 115–97.