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118TH CONGRESS
2D SESSION

H. R. 9761

To amend the Internal Revenue Code of 1986 to allow an increased dollar limitation for section 179 property placed in service in the trade or business of farming.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 2024

Mr. LOPEZ 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 allow an increased dollar limitation for section 179 property placed in service in the trade or business of farming.

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

SECTION 1. INCREASED SECTION 179 PROPERTY LIMIT FOR FARMING PROPERTY.

(a) IN GENERAL.—Section 179(b) of the Internal Revenue Code of 1986 is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6) INCREASED LIMITATION FOR FARMING PROPERTY.—Notwithstanding paragraph (1), in the case of any section 179 property placed in service by the taxpayer in the trade or business of farming, the aggregate cost of such property which may be taken into account under subsection (a) for the taxable year shall not be less than an amount equal to $1,500,000, reduced by the cost of any other section 179 property which—

"(A) is taken into account by the taxpayer under subsection (a) for the taxable year, and

"(B) is placed in service by the taxpayer in a trade or business other than farming.".

(b) CONFORMING AMENDMENT.—Section 179(b)(2) of such Code is amended by striking "limitation under paragraph (1)" and inserting "limitations under paragraphs (1) and (6)".

(c) INFLATION ADJUSTMENT.—Section 179(b)(7) of such Code (as redesignated by subsection (a)) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) FARMING PROPERTY LIMITATION.—In the case of any taxable year beginning after

2025, the dollar amount in paragraph (6) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2024' for 'calendar year 2016' in subparagraph (A)(ii) thereof.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2024.

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