

**Amendment offered by Mr. Neugebauer of Texas**

**At the end of the bill insert the following new section:**

**ESTATE TAX REPEAL MADE PERMANENT.**

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to title V of such Act.

**INCREASED EXPENSING FOR SMALL BUSINESS MADE PERMANENT.**

(a) In General- Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 (relating to dollar limitation) is amended by striking '\$25,000 (\$125,000 in the case of taxable years beginning after 2006 and before 2011)' and inserting '\$200,000'.

(b) Phaseout of Limitation Only by 50 Percent of Excess Over \$800,000- Paragraph (2) of section 179(b) of such Code (relating to reduction in limitation) is amended to read as follows:

(2) REDUCTION IN LIMITATION- The limitation under paragraph (1) for any taxable year shall be reduced (but not below zero) by one-half of the amount by which the cost of section 179 property placed in service during such taxable year exceeds \$800,000.'

(c) Rebasings of Inflation Adjustments- Section 179(b)(5)(A) of such Code (relating to inflation adjustments) is amended--

(1) in the matter preceding clause (i) by striking '2007 and before 2011, the \$125,000 and \$500,000' and inserting '2009, the \$200,000 and \$800,000', and

(2) in clause (ii) by striking 'calendar year 2006' and inserting 'calendar year 2008'.

(d) Revocation of Election Made Permanent- Section 179(c)(2) of such Code (relating to election irrevocable) is amended by striking 'and before 2011'.

(e) Off-the-Shelf Computer Software- Section 179(d)(1)(A)(ii) of such Code (relating to section 179 property) is amended by striking 'and before 2011'.

(f) Effective Date- The amendments made by this section shall apply to property placed in service in taxable years beginning after December 31, 2008.

**SECA TAX DEDUCTION FOR HEALTH INSURANCE COSTS.**

(a) In General- Subsection (l) of section 162 of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of

self-employed individuals) is amended by striking paragraph (4) and by redesignating paragraph (5) as paragraph (4).

(b) Effective Date- The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.