

**AMENDMENT TO H.R. 3854, AS REPORTED  
OFFERED BY MR. SESSIONS OF TEXAS**

Add at the end of the bill the following:

1 **TITLE X—AMENDMENT OF THE**  
2 **INTERNAL REVENUE CODE**  
3 **OF 1986**

4 **SEC. 1001. REPEAL OF CERTAIN LIMITATIONS ON THE EX-**  
5 **PENSING OF SECTION 179 PROPERTY.**

6 (a) IN GENERAL.—Section 179 of the Internal Rev-  
7 enue Code of 1986 is amended by striking subsection (b)  
8 and by redesignating subsections (c) and (d) as sub-  
9 sections (b) and (c), respectively.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Subsection (c) of section 179 of such Code,  
12 as redesignated by subsection (a), is amended by  
13 striking paragraphs (6) and (8), and by redesign-  
14 ating paragraphs (7), (9), and (10) as paragraphs  
15 (6), (7), and (8), respectively.

16 (2) Paragraph (6) of section 179(c) of such  
17 Code, as redesignated by paragraph (1) and sub-  
18 section (a), is amended by striking “paragraphs (2)  
19 and (6)” and inserting “paragraph (2)”.

1           (3) Section 179 of such Code is amended by  
2 striking subsection (e).

3           (4) Sections 42(d)(2)(B)(i), 1397D(d)(1),  
4 1400B(b)(4)(A)(i) and 1400F(b)(4)(A)(i) of such  
5 Code are each amended by striking “section  
6 179(d)(2)” and inserting “section 179(c)(2)”.

7           (5) Subclause (I) of section 42(d)(2)(D)(iii) of  
8 such Code is amended—

9                 (A) by striking “section 179(d)” and in-  
10 sserting “section 179(c)”, and

11                 (B) by striking “section 179(d)(7)” and  
12 inserting “section 179(c)(6)”.

13           (6)(A) Subpart B of part III of subchapter U  
14 of chapter 1 of such Code is hereby repealed.

15           (B) The table of subparts for such part III is  
16 amended by striking the item relating to subpart B.

17           (7)(A) Part III of subchapter X of chapter 1 of  
18 such Code is amended by striking section 1400J.

19           (B) The table of sections for such part is  
20 amended by striking the item relating to section  
21 1400J.

22           (C) Paragraph (3) of section 1400E(b) of such  
23 Code is amended by striking “sections 1400F and  
24 1400J” and inserting “section 1400F”.

1           (8) Clause (iv) of section 1400L(b)(2)(A) of  
2 such Code is amended by striking “section 179(d)”  
3 and inserting “section 179(c)”.

4           (9) Section 1400L of such Code is amended by  
5 striking subsection (f).

6           (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to property placed in service during  
8 taxable years ending on or after the date of the enactment  
9 of this Act.

10 **SEC. 1002. ELECTION OF SHORTER RECOVERY PERIOD FOR**  
11 **PURPOSE OF DETERMINING DEPRECIATION**  
12 **DEDUCTION.**

13           (a) IN GENERAL.—Section 168 of the Internal Rev-  
14 enue Code of 1986 is amended by adding at the end the  
15 following new subsection:

16           “(1) ELECTION OF SHORTER RECOVERY PERIOD.—

17           “(1) IN GENERAL.—Notwithstanding sub-  
18 sections (c), (e), (g), and (j), for purposes of sub-  
19 section (a), the applicable recovery period for any  
20 property placed in service during a taxable year end-  
21 ing on or after the date of the enactment of this  
22 subsection shall not exceed any period of two or  
23 more years elected by the taxpayer with respect to  
24 such property.

1           “(2) ELECTION.—An election made under this  
2 subsection shall be made at such time and in such  
3 form and manner as the Secretary may require. An  
4 election under this subsection, once made, shall  
5 apply to the taxable year for which made and all  
6 subsequent taxable years unless revoked with the  
7 consent of the Secretary.

8           “(3) TRANSITION RULE.—In the case of any  
9 property placed in service during a taxable year end-  
10 ing before the date of the enactment of this sub-  
11 section, paragraph (1) shall apply with respect to  
12 the adjusted basis of such property in the same  
13 manner as if such property (with such adjusted  
14 basis) were placed in service on the first day of the  
15 taxable year which includes the date of the enact-  
16 ment of this subsection. The application of this  
17 paragraph shall not be treated as a change in meth-  
18 od of accounting for purposes of section 481.”.

19           (b) EFFECTIVE DATE.—The amendment made by  
20 this section shall apply to property placed in service be-  
21 fore, on, or after the date of the enactment of this Act.

