

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 361

To amend the Internal Revenue Code of 1986 to restore the regular investment tax credit for property placed in service during a specified period, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 16 (legislative day, JANUARY 5), 1993

Mr. HEFLIN introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to restore the regular investment tax credit for property placed in service during a specified period, and for other purposes.

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. REINSTATEMENT OF REGULAR INVESTMENT**  
4       **CREDIT.**

5       (a) IN GENERAL.—Subpart E of part IV of sub-  
6 chapter A of chapter 1 of the Internal Revenue Code of  
7 1986 (relating to rules for computing investment in cer-

tain depreciable property), as amended by section 2, is  
 amended by adding at the end the following new section:

**“SEC. 50. REINSTATEMENT OF REGULAR INVESTMENT  
 CREDIT.**

“(a) IN GENERAL.—With respect to any property  
 placed in service during 1992, 1993, or 1994—

“(1) section 49 shall not apply, and

“(2) the regular percentage for purposes of this  
 subpart shall be 10 percent.

“(b) SPECIAL RULES FOR REHABILITATION, EN-  
 ERGY, AND REFORESTATION CREDITS.—Notwithstanding  
 any other provision of law, the rehabilitation credit, energy  
 credit, and reforestation credit shall be computed in the  
 manner provided by this subpart as in effect on the day  
 before the date of the enactment of this section.

“(c) PROJECTS ENTERED INTO BEFORE 1995.—For  
 purposes of subsection (a), property placed in service after  
 December 31, 1994, shall be treated as placed in service  
 in 1994 if—

“(1) the construction, reconstruction, or erec-  
 tion of the property began during 1992, 1993, or  
 1994, or

“(2) the property is acquired by the taxpayer  
 after December 31, 1994, and before January 1,  
 2000, pursuant to a contract which on such date,

1 and at all times thereafter, was binding on the tax-  
 2 payer.

3 Any credit allowable by reason of this subsection shall be  
 4 allowed in the taxable year in which the property is placed  
 5 in service (or in which qualified progress expenditures with  
 6 respect to such property are made).”.

7 (b) CONFORMING AMENDMENT.—The table of sec-  
 8 tions for subpart E of part IV of subchapter A of chapter  
 9 1 of such Code is amended by adding at the end thereof  
 10 the following new item:

“Sec. 50. Reinstatement of regular investment credit.”.

11 **SEC. 2. REINSTATEMENT OF TECHNICAL PROVISIONS NEC-**  
 12 **CESSARY TO ALLOW INVESTMENT CREDIT.**

13 Section 11813 of the Revenue Reconciliation Act of  
 14 1990 (Public Law 101–508) is hereby repealed, and the  
 15 Internal Revenue Code of 1986 shall be applied and ad-  
 16 ministered as if such section (and the amendments made  
 17 by such section) had never been enacted.

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