

106TH CONGRESS  
2D SESSION

**S. 2250**

To amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain restaurant buildings.

IN THE SENATE OF THE UNITED STATES

MARCH 20, 2000

Mr. THOMPSON 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 provide a shorter recovery period for the depreciation of certain restaurant buildings.

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. RECOVERY PERIOD FOR DEPRECIATION OF  
4 RESTAURANT BUILDINGS.

5        (a) 15-YEAR RECOVERY PERIOD.—Subparagraph  
6 (E) of section 168(e)(3) of the Internal Revenue Code of  
7 1986 (relating to 15-year property) is amended by striking  
8 “and” at the end of clause (ii), by striking the period at  
9 the end of clause (iii) and inserting “, and”, and by adding  
0 at the end the following new clause:

1                             “(iv) any section 1250 property which  
2                             is a retail restaurant facility or an im-  
3                             provement thereto.”

4                     (b) RETAIL RESTAURANT FACILITY.—Subsection (e)  
5     of section 168 of such Code is amended by adding at the  
6     end the following new paragraph:

7                     “(6) RETAIL RESTAURANT FACILITY.—The  
8     term ‘retail restaurant facility’ means any building  
9     if—

10                     “(A) more than 50 percent of the build-  
11     ing’s square footage is devoted to preparation  
12     of, and seating for on-premises consumption of,  
13     prepared meals, and

14                     “(B) the building is owned by—

15                     “(i) the person operating the meal  
16     preparation facility in such building, or

17                     “(ii) a person who is related (within  
18     the meaning of section 267(b) or  
19     707(b)(1)) to the person described in  
20     clause (i).”

21                     (c) ALTERNATIVE SYSTEM.—The table contained in  
22     section 168(g)(3)(B) of such Code is amended by inserting  
23     after the item relating to subparagraph (E)(iii) the fol-  
24     lowing new item:

“(E)(iv) ..... 20”.

1       (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to retail restaurant buildings  
3 placed in service after the date of the enactment of this  
4 Act and to all improvements made after the date of enact-  
5 ment.

○