

111TH CONGRESS
2^D SESSION

H. R. 4841

To amend the Internal Revenue Code of 1986 to provide tax relief for
small businesses.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2010

Ms. VELÁZQUEZ 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 provide
tax relief for small businesses.

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. SHORT TITLE.**

4 This Act may be cited as the “Small Business Tax
5 Relief and Job Growth Act of 2010”.

6 **SEC. 2. INCREASE IN ALLOWABLE OF STARTUP EXPENDI-**
7 **TURES.**

8 (a) IN GENERAL.—Clause (ii) of section
9 195(b)(1)(A) of the Internal Revenue Code of 1986 is
10 amended by striking “\$5,000” and inserting “\$20,000”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to amounts paid or incurred in tax-
3 able years beginning after December 31, 2009.

4 **SEC. 3. INCLUSION OF CERTAIN IMPROVEMENTS AS SEC-**
5 **TION 179 PROPERTY.**

6 (a) IN GENERAL.—Subsection (d) of section 179 of
7 the Internal Revenue Code of 1986 is amended by adding
8 at the end the following new paragraph:

9 “(11) SPECIAL RULE FOR 2010 AND 2011.—For
10 purposes of this section—

11 “(A) IN GENERAL.—The term ‘section 179
12 property’ shall include any qualified improve-
13 ment to real property, or qualified structural
14 improvement, placed in service after December
15 31, 2009, and before January 1, 2012.

16 “(B) QUALIFIED IMPROVEMENTS TO REAL
17 PROPERTY.—For purposes of subparagraph
18 (A), the term ‘improvements to real property’
19 means any improvement to a paved parking
20 area, wharve, dock, bridge, fence, retaining
21 wall, outdoor lighting, or other improvement
22 (other than to a building or its structural com-
23 ponents), intended to improve or make such
24 property ready for use in a trade or business.

1 “(C) QUALIFIED STRUCTURAL IMPROVE-
2 MENT.—For purposes of subparagraph (A), the
3 term ‘structural improvement’ means any im-
4 provement to a building or its structural compo-
5 nents (including improvements to the roof,
6 drainage, plumbing, electrical components, heat-
7 ing, ventilation, or air conditioning, insulation,
8 fire protection) intended to improve or make
9 such building ready for use in a trade or busi-
10 ness.”.

11 (b) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2009.

14 **SEC. 4. REDUCE CORPORATE CAPITAL GAINS RATE FOR**
15 **SMALL BUSINESS.**

16 (a) IN GENERAL.—Section 1201 of the Internal Rev-
17 enue Code of 1986 is amended by redesignating subsection
18 (d) as subsection (e) and by inserting after subsection (c)
19 the following new subsection:

20 “(d) SPECIAL RULE FOR QUALIFIED SMALL BUSI-
21 NESS.—

22 “(1) IN GENERAL.—In the case of a qualified
23 small business, subsection (a) shall be applied by
24 substituting ‘15 percent’ for ‘35 percent’ each place
25 it appears.

1 “(2) QUALIFIED SMALL BUSINESS.—For pur-
2 poses of this subsection, the term ‘qualified small
3 business’ with respect to any taxable year means a
4 corporation which, for 3 of the 5 immediately pre-
5 ceding taxable years—

6 “(A) was a C corporation, and

7 “(B) had average annual gross receipts of
8 not more than \$15,000,000.

9 “(3) CONTROLLED GROUPS.—For purposes of
10 the paragraph (2), all corporations which are mem-
11 bers of the same controlled group of corporations
12 (within the meaning of section 1563(a)) shall be
13 treated as 1 corporation.”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 the date of the enactment of this Act.

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