

112TH CONGRESS
1ST SESSION

H. R. 3366

To amend the Internal Revenue Code of 1986 to clarify that bonus depreciation is not a cost allocated to a contract under the percentage of completion method for long-term contracts.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 4, 2011

Mr. SAM JOHNSON of Texas (for himself and Mr. NEAL) 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 clarify that bonus depreciation is not a cost allocated to a contract under the percentage of completion method for long-term contracts.

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. CLARIFICATION THAT BONUS DEPRECIATION**
4 **IS NOT A COST ALLOCATED TO A CONTRACT**
5 **UNDER THE PERCENTAGE OF COMPLETION**
6 **METHOD FOR LONG-TERM CONTRACTS.**

7 (a) IN GENERAL.—Clause (ii) of section 460(c)(6)(B)
8 of the Internal Revenue Code of 1986 is amended—

1 (1) by striking “2011” and inserting “2013”,
2 and

3 (2) by striking “2012” and inserting “2014”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to property placed in service after
6 December 31, 2010.

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