AMENDMENT TO RULES COMMITTEE PRINT 115-39
OFFERED BY MR. LANGEVIN OF RHODE ISLAND

Add at the end the following:

TITLE VI—FIRE SPRINKLER INCENTIVE

SEC. 6001. AUTOMATED FIRE SPRINKLER SYSTEM RETRO-FITS TREATED AS SECTION 179 PROPERTY.

(a) IN GENERAL.—Section 179(d)(1)(B) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) which is—

“(i) automated fire sprinkler system retrofit property (as defined in section 168(i)(20) determined without regard to subparagraph (A)(i)(II) thereof), or

“(ii) section 1245 property (as defined in section 1245(a)(3)), and”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.
SEC. 6002. CLASSIFICATION OF CERTAIN AUTOMATED FIRE SPRINKLER SYSTEM RETROFITS.

(a) Treatment as 15-Year Property.—Section 168(e)(3)(E) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of clause (viii), by striking the period at the end of clause (ix) and inserting “, and”, and by adding at the end the following:

“(x) any automated fire sprinkler system retrofit property.”.

(b) Applicable Depreciation Method.—Section 168(b)(3) of such Code is amended by adding at the end the following new subparagraph:

“(J) Any automated fire sprinkler system retrofit property.”.

(c) Alternative System.—The table contained in section 168(g)(3)(B) of such Code is amended by inserting after the item relating to subparagraph (E)(ix) the following:

“(E)(x) .................................................................................................... 39”.

(d) Definition of Automated Fire Sprinkler System Retrofit Property.—Section 168(i) of such Code is amended by adding at the end the following new paragraph:

“(20) AUTOMATED FIRE SPRINKLER SYSTEM RETROFIT PROPERTY.—
“(A) IN GENERAL.—The term ‘automated fire sprinkler system retrofit property’ means any property which comprises a sprinkler system which—

“(i) is installed in a building or structure which—

“(I) was placed in service before the date on which such sprinkler system is placed in service, and

“(II) has an occupiable story the floor of which is more than 75 feet above the lowest level of fire department vehicle access, and

“(ii) is classified under one or more of the following:


“(III) National Fire Protection

Association 13 R, Installation of
Sprinkler Systems in Residential Oc-
cupancies up to and Including Four
Stories in Height.

“(B) Exception for certain installations required by law.—Such term shall not
include any sprinkler system the installation of
which is required by State or local law by rea-
son of the degree of additions or improvements
made to such building or structure.”.

(e) Effective Date.—The amendments made by
this section shall apply to property placed in service after
the date of the enactment of this Act.

SEC. 6003. CORPORATE RATE INCREASE TO ACHIEVE REV-

ENUE NEUTRALITY.

(a) In General.—The rate of tax specified in sec-
tion 11(b)(1) of the Internal Revenue Code of 1986 (after
the amendment made by section 3001(a)) shall be in-
creased by such number of percentage points as is nec-
essary to fully offset the aggregate reduction in Federal
revenues which result from the amendments and repeals
made by sections 6001 and 6002.
(b) EFFECTIVE DATE.—Subsection (a) shall apply as if such provision were an amendment made by section 3001(a).