

AMENDMENT TO
RULES COMMITTEE PRINT 115-39
OFFERED BY MR. POLIS OF COLORADO

At the end of subtitle B of title III, add the following:

1 **SEC. 3102. REPEAL OF EXPENSING FOR INTANGIBLE DRILL-**
2 **ING COSTS WITH RESPECT TO OIL AND GAS**
3 **WELLS.**

4 (a) IN GENERAL.—Section 263(c) is amended—

5 (1) by striking “AND GEOTHERMAL WELLS”
6 and all that follows through “Notwithstanding sub-
7 section (a)” and inserting the following: “AND GEO-
8 THERMAL WELLS.—

9 “(1) IN GENERAL.—Notwithstanding subsection
10 (a)”, and

11 (2) by adding at the end the following new
12 paragraph:

13 “(2) AMORTIZATION FOR OIL AND GAS
14 WELLS.—In the case of intangible drilling and devel-
15 opment costs paid or incurred with respect to an oil
16 or gas well in a taxable year beginning after Decem-
17 ber 31, 2017—

18 “(A) paragraph (1) shall not apply, and

1 “(B) at the election of the taxpayer, such
2 costs be allowable as a deduction ratably over
3 the 60-month period beginning with the month
4 in which the costs are paid or incurred.

5 For purposes of section 1254, any deduction under
6 this paragraph shall be treated as a deduction under
7 this subsection.”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this shall apply to costs paid or incurred in taxable years
10 beginning after December 31, 2017.

