

AMENDMENT TO RULES COMMITTEE PRINT 117-

31

OFFERED BY MR. ROY OF TEXAS

At the end, add the following:

1 **DIVISION M—RELOCATION OF**
2 **MANUFACTURING TO THE**
3 **UNITED STATES**

4 **SEC. 120001. SHORT TITLE.**

5 This division may be cited as the “Bring Entrepre-
6 neurial Advancements To Consumers Here In North
7 America Act”.

8 **SEC. 120002. TAX INCENTIVES FOR RELOCATING MANUFAC-**
9 **TURING TO THE UNITED STATES.**

10 (a) ACCELERATED DEPRECIATION FOR NONRESI-
11 DENTIAL REAL PROPERTY.—Section 168 of the Internal
12 Revenue Code of 1986 is amended by adding at the end
13 the following new subsection:

14 “(n) ACCELERATED DEPRECIATION FOR NONRESI-
15 DENTIAL REAL PROPERTY ACQUIRED IN CONNECTION
16 WITH THE RELOCATION OF MANUFACTURING TO THE
17 UNITED STATES.—

1 “(1) TREATMENT AS 20-YEAR PROPERTY.—For
2 purposes of this section, qualified nonresidential real
3 property shall be treated as 20-year property.

4 “(2) APPLICATION OF BONUS DEPRECIATION.—
5 For application of bonus depreciation to qualified
6 nonresidential real property, see subsection (k).

7 “(3) QUALIFIED NONRESIDENTIAL REAL PROP-
8 erty.—For purposes of this subsection, the term
9 ‘qualified nonresidential real property’ means non-
10 residential real property placed in service in the
11 United States by a qualified manufacturer if such
12 property is acquired by such qualified manufacturer
13 in connection with a qualified relocation of manufac-
14 turing.

15 “(4) QUALIFIED MANUFACTURER.—For pur-
16 poses of this subsection, the term ‘qualified manu-
17 facturer’ means any person engaged in the trade or
18 business of manufacturing any tangible personal
19 property.

20 “(5) QUALIFIED RELOCATION OF MANUFAC-
21 TURING.—For purposes of this subsection—

22 “(A) IN GENERAL.—The term ‘qualified
23 relocation of manufacturing’ means, with re-
24 spect to any qualified manufacturer, the reloca-
25 tion of the manufacturing of any tangible per-

1 sonal property from a foreign country to the
2 United States.

3 “(B) RELOCATION OF PROPERTY NOT RE-
4 QUIRED.—For purposes of subparagraph (A),
5 manufacturing shall not fail to be treated as re-
6 located merely because property used in such
7 manufacturing was not relocated.

8 “(C) RELOCATION OF NOT LESS THAN
9 EQUIVALENT PRODUCTIVE CAPACITY RE-
10 QUIRED.—For purposes of subparagraph (A),
11 manufacturing shall not be treated as relocated
12 unless the property manufactured in the United
13 States is substantially identical to the property
14 previously manufactured in a foreign country
15 and the increase in the units of production of
16 such property in the United States by the quali-
17 fied manufacturer is not less than the reduction
18 in the units of production of such property in
19 such foreign country by such qualified manufac-
20 turer.

21 “(6) APPLICATION TO POSSESSIONS OF THE
22 UNITED STATES.—For purposes of this subsection,
23 the term ‘United States’ includes any possession of
24 the United States.”.

1 (b) EXCLUSION OF GAIN ON DISPOSITION OF PROP-
2 ERTY IN CONNECTION WITH QUALIFIED RELOCATION OF
3 MANUFACTURING.—

4 (1) IN GENERAL.—Part III of subchapter B of
5 chapter 1 of such Code is amended by inserting
6 after section 139H the following new section:

7 **“SEC. 139I. EXCLUSION OF GAIN ON DISPOSITION OF PROP-**
8 **ERTY IN CONNECTION WITH QUALIFIED RE-**
9 **LOCATION OF MANUFACTURING.**

10 “(a) IN GENERAL.—In the case of a qualified manu-
11 facturer, gross income shall not include gain from the sale
12 or exchange of qualified relocation disposition property.

13 “(b) QUALIFIED RELOCATION DISPOSITION PROP-
14 ERTY.—For purposes of this section, the term ‘qualified
15 relocation disposition property’ means any property
16 which—

17 “(1) is sold or exchanged by a qualified manu-
18 facturer in connection with a qualified relocation of
19 manufacturing, and

20 “(2) was used by such qualified manufacturer
21 in the trade or business of manufacturing any tan-
22 gible personal property in the foreign country from
23 which such manufacturing is being relocated.

24 “(c) OTHER TERMS.—Terms used in this section
25 which are also used in subsection (n) of section 168 shall

1 have the same meaning when used in this section as when
2 used in such subsection.”.

3 (2) CLERICAL AMENDMENT.—The table of sec-
4 tions for part III of subchapter B of chapter 1 of
5 such Code is amended by inserting after the item re-
6 lating to section 139H the following new item:

“Sec. 139I. Exclusion of gain on disposition of property in connection with
qualified relocation of manufacturing.”.

7 (c) EFFECTIVE DATES.—

8 (1) ACCELERATED DEPRECIATION.—The
9 amendment made by subsection (a) shall apply to
10 property placed in service after the date of the en-
11 actment of this Act.

12 (2) EXCLUSION OF GAIN.—The amendments
13 made by subsection (b) shall apply to sales and ex-
14 changes after the date of the enactment of this Act.

15 **SEC. 120003. PERMANENT FULL EXPENSING FOR QUALI-**
16 **FIED PROPERTY.**

17 (a) IN GENERAL.—Paragraph (6) of section 168(k)
18 of the Internal Revenue Code of 1986 is amended to read
19 as follows:

20 “(6) APPLICABLE PERCENTAGE.—For purposes
21 of this subsection, the term ‘applicable percentage’
22 means, in the case of property placed in service (or,
23 in the case of a specified plant described in para-

1 graph (5), a plant which is planted or grafted) after
2 September 27, 2017, 100 percent.”.

3 (b) CONFORMING AMENDMENTS.—

4 (1) Section 168(k) of the Internal Revenue
5 Code of 1986 is amended—

6 (A) in paragraph (2)—

7 (i) in subparagraph (A)—

8 (I) in clause (i)(V), by inserting
9 “and” at the end;

10 (II) in clause (ii), by striking
11 “clause (ii) of subparagraph (E),
12 and” and inserting “clause (i) of sub-
13 paragraph (E).”; and

14 (III) by striking clause (iii);

15 (ii) in subparagraph (B)—

16 (I) in clause (i)—

17 (aa) by striking subclauses
18 (II) and (III); and

19 (bb) by redesignating sub-
20 clauses (IV) through (VI) as sub-
21 clauses (II) through (IV), respec-
22 tively;

23 (II) by striking clause (ii); and

1 (III) by redesignating clauses
2 (iii) and (iv) as clauses (ii) and (iii),
3 respectively;

4 (iii) in subparagraph (C)—

5 (I) in clause (i), by striking “and
6 subclauses (II) and (III) of subpara-
7 graph (B)(i)”;

8 (II) in clause (ii), by striking
9 “subparagraph (B)(iii)” and inserting
10 “subparagraph (B)(ii)”;

11 (iv) in subparagraph (E)—

12 (I) by striking clause (i); and

13 (II) by redesignating clauses (ii)
14 and (iii) as clauses (i) and (ii), respec-
15 tively; and

16 (B) in paragraph (5)(A), by striking
17 “planted before January 1, 2027, or is grafted
18 before such date to a plant that has already
19 been planted,” and inserting “planted or graft-
20 ed”.

21 (2) Section 460(c)(6)(B) of such Code is
22 amended by striking “which” and all that follows
23 through the period and inserting “which has a recov-
24 ery period of 7 years or less.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect as if included in section
3 13201 of Public Law 115–97.

