

104TH CONGRESS
1ST SESSION

H. R. 2054

To amend the Internal Revenue Code of 1986 to apply the rehabilitation credit to historic ships, aircraft, and other vessels.

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 1995

Mr. DICKS (for himself and Mr. McDERMOTT) 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 apply the rehabilitation credit to historic ships, aircraft, and other vessels.

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. APPLICATION OF REHABILITATION CREDIT TO**
4 **HISTORIC SHIPS AND AIRCRAFT.**

5 (a) IN GENERAL.—Subsection (a) of section 47 of the
6 Internal Revenue Code of 1986 (relating to rehabilitation
7 credit) is amended—

8 (1) in paragraph (1) by striking “and” at the
9 end,

1 (2) in paragraph (2), by striking the period at
2 the end and inserting “, and”, and

3 (3) by adding at the end the following new
4 paragraph:

5 “(3) 20 percent of the vessel rehabilitation ex-
6 penditures with respect to any certified historic ves-
7 sel.”

8 (b) CERTIFIED HISTORIC VESSELS.—Section 47 of
9 such Code is amended by adding at the end the following
10 new subsection:

11 “(e) DEFINITIONS AND SPECIAL RULES FOR TREAT-
12 MENT OF CERTIFIED HISTORIC VESSELS.—

13 “(1) CERTIFIED HISTORIC VESSELS.—For pur-
14 poses of this section, the term ‘certified historic ves-
15 sel’ means—

16 “(A) any ship, aircraft, or other vessel
17 which is listed in the National Register, and

18 “(B) any facility (including a pier, hangar,
19 or display facility) related to such ship, aircraft,
20 or other vessel, but only if substantially all of
21 the use of such facility is in connection with
22 such ship, aircraft, or vessel.

23 Such term does not include any building (or any
24 structural component of a building) which is a cer-
25 tified historic structure.

1 “(2) VESSEL REHABILITATION EXPENDI-
2 TURES.—

3 “(A) IN GENERAL.—For purposes of this
4 section, the term ‘vessel rehabilitation expendi-
5 ture’ includes any amount properly chargeable
6 to capital account—

7 “(i) for property for which deprecia-
8 tion is allowable under section 168, and

9 “(ii) in connection with the substan-
10 tial rehabilitation of such certified historic
11 vessel.

12 For purposes of determining substantial reha-
13 bilitation under clause (ii), rules similar to the
14 rules of subsection (c)(1)(C) shall apply.

15 “(B) CERTAIN EXPENDITURES NOT IN-
16 CLUDED.—Rules similar to the rules of sub-
17 section (c)(2)(B) shall apply for purposes of
18 this paragraph.

19 “(C) ACQUISITION, CONSTRUCTION, AND
20 ENLARGEMENT OF CERTAIN NECESSARY FACILI-
21 TIES.—Subparagraph (B) shall not apply, with
22 respect to clauses (ii) and (iii) of subsection
23 (c)(2)(B), to acquisition, construction, or en-
24 largement of any facility referred to in para-
25 graph (1)(B) if—

1 “(i) such facility (or the enlargement
2 of such facility) is necessary for access to
3 or housing of such certified historic vessel,
4 and

5 “(ii) no other suitable facility to pro-
6 vide access to or housing of such certified
7 historic vessel is reasonably available for
8 use by such historic vessel.

9 “(3) WHEN EXPENDITURES TAKEN INTO AC-
10 COUNT.—For purposes of this subsection, rules simi-
11 lar to the rules of subsections (b) and (d) shall
12 apply.”

13 (c) EFFECTIVE DATE.—The amendments made by
14 this Act shall apply to amounts incurred after December
15 31, 1994, for taxable years ending after such date.

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