

107TH CONGRESS
1ST SESSION

H. R. 3057

To amend the Internal Revenue Code of 1986 to reduce to 3 years the depreciation recovery period for qualified technological equipment.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 5, 2001

Mr. WATKINS of Oklahoma 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 reduce to 3 years the depreciation recovery period for qualified technological equipment.

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. 3-YEAR RECOVERY PERIOD FOR QUALIFIED**
4 **TECHNOLOGICAL EQUIPMENT.**

5 (a) IN GENERAL.—Subparagraph (A) of section
6 168(e)(3) of the Internal Revenue Code of 1986 (defining
7 3-year property) is amended by striking “and” at the end
8 of clause (ii), by striking the period at the end of clause
9 (iii) and inserting a comma, and by adding at the end the
10 following new clause:

1 “(iv) any qualified technological
2 equipment.”

3 (b) ADDITIONAL PROPERTY INCLUDED AS QUALI-
4 FIED TECHNOLOGICAL EQUIPMENT.—

5 (1) IN GENERAL.—Subparagraph (A) of section
6 168(i)(2) of such Code (defining qualified techno-
7 logical equipment) is amended by striking “and” at
8 the end of clause (ii), and by adding at the end the
9 following new clauses:

10 “(iv) any wireless telecommunications
11 equipment,

12 “(v) any advanced services equipment,
13 and

14 “(vi) any network or network system
15 equipment.”

16 (2) DEFINITIONS.—Paragraph (2) of section
17 168(i) of such Code is amended by adding at the
18 end the following new subparagraphs:

19 “(D) WIRELESS TELECOMMUNICATIONS
20 EQUIPMENT.—The term ‘wireless telecommuni-
21 cations equipment’ means all equipment used in
22 the transmission, reception, coordination, or
23 switching of wireless telecommunications serv-
24 ice. For this purpose, ‘wireless telecommuni-
25 cations service’ includes any commercial mobile

1 radio service as defined in title 47 of the Code
2 of Federal Regulations.

3 “(E) ADVANCED SERVICES EQUIPMENT.—
4 The term ‘advanced services equipment’ means
5 equipment, excluding cabling, used in the provi-
6 sion of Internet or electronic communications
7 access services or support, or which supports
8 access to electronic media and data and associ-
9 ated communications support, provided that
10 such services or support constitute or directly
11 contribute to the provision of advanced tele-
12 communications capability as that term is de-
13 fined in section 706(c)(1) of the Telecommuni-
14 cations Act of 1996.

15 “(F) NETWORK OR NETWORK SYSTEM
16 EQUIPMENT.—The term ‘network or network
17 system equipment’ means any information tech-
18 nology equipment, including computer servers,
19 hubs, bridges, switches and routers, which are
20 interconnected so as to enable computers and
21 peripherals to communicate with each other ei-
22 ther individually or as a single unit.”

23 (c) CONFORMING AMENDMENTS.—

24 (1) Subparagraph (B) of section 168(e)(3) of
25 such Code is amended—

1 (A) by striking clause (iv) and redesignig-
2 nating clauses (v) and (vi) as clauses (iv) and
3 (v), respectively, and

4 (B) by striking “clause (vi)(I)” and insert-
5 ing “clause (v)(I)”.

6 (2) Subparagraph (C) of section 168(g)(3) of
7 such Code is amended by striking “5 years” and in-
8 serting “3 years”.

9 (d) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to property placed in service after
11 the date of the enactment of this Act.

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