

109TH CONGRESS
1ST SESSION

S. 1595

To amend the Internal Revenue Code of 1986 to provide for a 3-year recovery period for depreciation of qualified energy management devices.

IN THE SENATE OF THE UNITED STATES

JULY 29, 2005

Ms. CANTWELL introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide for a 3-year recovery period for depreciation of qualified energy management devices.

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 APPLICABLE RECOVERY PERIOD FOR**
4 **DEPRECIATION OF QUALIFIED ENERGY MAN-**
5 **AGEMENT DEVICES.**

6 (a) IN GENERAL.—Section 168(e)(3)(A) of the Inter-
7 nal Revenue Code of 1986 (defining 3-year property) is
8 amended by striking “and” at the end of clause (ii), by
9 striking the period at the end of clause (iii) and inserting

1 “, and”, and by adding at the end the following new
2 clause:

3 “(iv) any qualified energy manage-
4 ment device.”.

5 (b) DEFINITION OF QUALIFIED ENERGY MANAGE-
6 MENT DEVICE.—Section 168(i) of the Internal Revenue
7 Code of 1986 (relating to definitions and special rules),
8 as amended by the Energy Tax Incentives Act of 2005,
9 is amended by inserting at the end the following new para-
10 graph:

11 “(18) QUALIFIED ENERGY MANAGEMENT DE-
12 VICE.—

13 “(A) IN GENERAL.—The term ‘qualified
14 energy management device’ means any energy
15 management device—

16 “(i) which is placed in service before
17 January 1, 2008, by a taxpayer who is a
18 supplier of electric energy or a provider of
19 electric energy services,

20 “(ii) the original use of which com-
21 mences with the taxpayer, and

22 “(iii) the purchase of which is subject
23 to a binding contract entered into after
24 June 23, 2005, but only if there was no

1 written binding contract entered into on or
2 before such date.

3 “(B) ENERGY MANAGEMENT DEVICE.—
4 For purposes of subparagraph (A), the term
5 ‘energy management device’ means any meter
6 or metering device which is used by the tax-
7 payer—

8 “(i) to measure and record electricity
9 usage data on a time-differentiated basis
10 in at least 4 separate time segments per
11 day, and

12 “(ii) to provide such data on at least
13 a monthly basis to both consumers and the
14 taxpayer.”.

15 (c) ALTERNATIVE SYSTEM.—The table contained in
16 section 168(g)(3)(B) of the Internal Revenue Code of
17 1986 is amended by inserting after the item relating to
18 subparagraph (A)(iii) the following:

“(A)(iv) 20”.

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to property placed in service after
21 December 31, 2005, in taxable years ending after such
22 date.

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