

113TH CONGRESS
2D SESSION

H. R. 5622

To amend the Internal Revenue Code of 1986 to include automated fire sprinkler system retrofits as section 179 property and classify certain automated fire sprinkler system retrofits as 15-year property for purposes of depreciation.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2014

Mr. LANGEVIN (for himself, Mr. PASCARELL, Mr. KING of New York, Ms. KUSTER, Mr. FITZPATRICK, Mr. COOPER, Ms. NORTON, Mr. LARSON of Connecticut, Mr. VAN HOLLEN, Mr. HOLT, Mr. GRIJALVA, Mr. JOHNSON of Ohio, and Mr. ISRAEL) 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 include automated fire sprinkler system retrofits as section 179 property and classify certain automated fire sprinkler system retrofits as 15-year property for purposes of depreciation.

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. SHORT TITLE.**

4 This Act may be cited as the “Fire Sprinkler Incen-
5 tive Act”.

1 **SEC. 2. AUTOMATED FIRE SPRINKLER SYSTEM RETROFITS**
 2 **TREATED AS SECTION 179 PROPERTY.**

3 (a) IN GENERAL.—Section 179(d)(1)(B) of the Inter-
 4 nal Revenue Code of 1986 is amended to read as follows:

5 “(B) which is—

6 “(i) automated fire sprinkler system
 7 retrofit property (as defined in section
 8 168(i)(20) determined without regard to
 9 subparagraph (A)(ii) thereof), or

10 “(ii) section 1245 property (as defined
 11 in section 1245(a)(3)), and”.

12 (b) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply to property placed in service after
 14 the date of the enactment of this Act.

15 **SEC. 3. CLASSIFICATION OF CERTAIN AUTOMATED FIRE**
 16 **SPRINKLER SYSTEM RETROFITS.**

17 (a) TREATMENT AS 15-YEAR PROPERTY.—Section
 18 168(e)(3)(E) of the Internal Revenue Code of 1986 is
 19 amended by striking “and” at the end of clause (viii), by
 20 striking the period at the end of clause (ix) and inserting
 21 “, and”, and by adding at the end the following:

22 “(x) any automated fire sprinkler sys-
 23 tem retrofit property.”.

24 (b) APPLICABLE DEPRECIATION METHOD.—Section
 25 168(b)(3) of such Code is amended by adding at the end
 26 the following new subparagraph:

1 “(J) Any automated fire sprinkler system
2 retrofit property.”.

3 (c) ALTERNATIVE SYSTEM.—The table contained in
4 section 168(g)(3)(B) of such Code is amended by inserting
5 after the item relating to subparagraph (E)(ix) the fol-
6 lowing:

 “(E)(x) 39”.

7 (d) DEFINITION OF AUTOMATED FIRE SPRINKLER
8 SYSTEM RETROFIT PROPERTY.—Section 168(i) of such
9 Code is amended by adding at the end the following new
10 paragraph:

11 “(20) AUTOMATED FIRE SPRINKLER SYSTEM
12 RETROFIT PROPERTY.—The term ‘automated fire
13 sprinkler system retrofit property’ means any prop-
14 erty which comprises a sprinkler system which—

15 “(A) is installed in a building or structure
16 which—

17 “(i) was placed in service before the
18 date on which such sprinkler system is
19 placed in service, and

20 “(ii) has an occupiable story the floor
21 of which is more than 75 feet above the
22 lowest level of fire department vehicle ac-
23 cess, and

24 “(B) is classified under one or more of the
25 following:

1 “(i) National Fire Protection Associa-
2 tion 13, Installation of Sprinkler Systems.

3 “(ii) National Fire Protection Asso-
4 ciation 13 D, Installation of Sprinkler Sys-
5 tems in One and Two Family Dwellings
6 and Manufactured Homes or International
7 Residential Code Section P2904, Dwelling
8 Unit Fire Sprinkler Systems.

9 “(iii) National Fire Protection Asso-
10 ciation 13 R, Installation of Sprinkler Sys-
11 tems in Residential Occupancies up to and
12 Including Four Stories in Height.”.

13 (e) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to property placed in service after
15 the date of the enactment of this Act.

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