



**Section-by-Section Summary of the
“America’s Small Business Tax Relief Act of 2015”
(H.R. 636)**

*(as posted in Rules Committee Print 114-6 and
scheduled for House Floor consideration during the week of February 9, 2015)*

Section 1. Short title. This section provides a short title for the bill, the “America’s Small Business Tax Relief Act of 2015.”

Section 2. Expensing Certain Depreciable Business Assets for Small Business.

Section 2 contains the text of H.R. 636, the America’s Small Business Tax Relief Act of 2015, which was ordered reported by the Committee on Ways and Means on February 4, 2015. This section permanently extends and modifies a temporary provision that allows businesses to expense up to \$500,000 in property used in a trade or business.

Section 3. Reduced Recognition Period for Built-in Gains of S Corporations Made Permanent. Section 3 contains the text of H.R. 629, the Permanent S Corporation Built-in Gain Recognition Period Act of 2015, which was ordered reported by the Committee on Ways and Means on February 4, 2015. This section permanently extends a temporary provision that imposes a tax on an S corporation on the sale of certain property it held when operating as a C corporation for five years after the election to be treated as an S corporation.

Section 4. Permanent Rule Regarding Basis Adjustment to Stock of S Corporations Making Charitable Contributions of Property. Section 4 contains the text of H.R. 630, the Permanent S Corporation Charitable Contributions Act of 2015, which was ordered reported by the Committee on Ways and Means on February 4, 2015. This section permanently extends a temporary provision that allows S corporation shareholders to reduce the basis of their shares by the adjusted basis of charitable contributions of property rather than the fair market value of the property.

Section 5. Budgetary Effects. Section 6 provides for the treatment of the bill’s budgetary effects for PAYGO purposes.