

111TH CONGRESS  
1ST SESSION

# S. 156

To amend the Internal Revenue Code of 1986 to extend enhanced small business expensing and to provide for a 5-year net operating loss carryback for losses incurred in 2008 or 2009.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 6, 2009

Ms. SNOWE (for herself, Mr. KERRY, and Ms. LANDRIEU) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to extend enhanced small business expensing and to provide for a 5-year net operating loss carryback for losses incurred in 2008 or 2009.

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 “Small Business Stim-  
5 ulus Act of 2009”.

1 **SEC. 2. EXTENSION OF INCREASED EXPENSING FOR SMALL**  
2 **BUSINESSES.**

3 (a) IN GENERAL.—Paragraph (7) of section 179(b)  
4 of the Internal Revenue Code of 1986 is amended—

5 (1) by striking “2008” and inserting “2008,  
6 2009, or 2010”, and

7 (2) by striking “2008” in the heading thereof  
8 and inserting “2008, 2009, OR 2010”.

9 (b) EFFECTIVE DATE.—The amendments made by  
10 this section shall apply to taxable years beginning after  
11 December 31, 2008.

12 **SEC. 3. 5-YEAR CARRYBACK OF NET OPERATING LOSSES.**

13 (a) IN GENERAL.—Subparagraph (H) of section  
14 172(b)(1) of the Internal Revenue Code of 1986 is amend-  
15 ed to read as follows:

16 “(H) CARRYBACK FOR 2008 AND 2009 NET  
17 OPERATING LOSSES.—In the case of a net oper-  
18 ating loss for any taxable year ending during  
19 2008 or 2009—

20 “(i) subparagraph (A)(i) shall be ap-  
21 plied by substituting ‘5’ for ‘2’,

22 “(ii) subparagraph (E)(ii) shall be ap-  
23 plied by substituting ‘4’ for ‘2’, and

24 “(iii) subparagraph (F) shall not  
25 apply.”.

1 (b) ALTERNATIVE TAX NET OPERATING LOSS DE-  
2 DUCTION.—Subclause (I) of section 56(d)(1)(A)(ii) of the  
3 Internal Revenue Code of 1986 is amended to read as fol-  
4 lows:

5 “(I) the amount of such deduc-  
6 tion attributable to the sum of  
7 carrybacks of net operating losses  
8 from taxable years ending during  
9 2001, 2002, 2008, or 2009 and  
10 carryovers of net operating losses to  
11 taxable years ending during such cal-  
12 endar years, or”.

13 (c) EFFECTIVE DATE.—

14 (1) IN GENERAL.—Except as provided in para-  
15 graph (2), the amendments made by this section  
16 shall apply to net operating losses arising in taxable  
17 years ending after December 31, 2007.

18 (2) ALTERNATIVE TAX NET OPERATING LOSS  
19 DEDUCTION.—The amendments made by subsection  
20 (b) shall apply to taxable years ending after 1997.

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