Joint Committee on Taxation
June 13, 1989
JCX-19-89

H.R. 1761: CORPORATE MINIMUM TAX

Scheduled for Markup by the
Ways and Means Subcommittee
on Select Revenue Measures

Addendum to Possible Option

In the case of (i) property to which the old ACRS system applies and (ii) property placed in service in a taxable year beginning before 1990 to which the new ACRS system applies and which presently is allowed accelerated depreciation under the minimum tax, a declining balance method of 120 percent (switching to straight line at the beginning of the year resulting in the highest allowance) will apply. The recovery period would be the recovery period used in the alternative depreciation system.

Revenue Effect of the Bill As Proposed to be Amended

(In $ Billions by Fiscal Year)

1990	1991	1992	1993	1994	1990-1994
-.3	+.2	+.5	---	-.5	-.1