

POSITION PAPER: ACCELERATED DEPRECIATION FOR SHOWROOMS

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The American Supply Association Supports Accelerated Depreciation.

- ASA supports federal legislation providing a statutory 15-year recovery period for qualified retail improvement property provided such legislation is applicable to supply house showrooms.
- Under current law, improvements made to *leased* stores can be depreciated over 15 years, while improvements made to stores that are *owned* must be depreciated over 39 years.
- Attempts have been made by several Members of Congress to end the difference in depreciation rules for improvements made to stores that are leased and those that are owned.
- In fact, the ASA supported 15-year depreciation language was dropped from the minimum wage bill by House-Senate conferees when they met to iron out the differences between the House and the Senate passed bills.
- Supporters in Congress vow to pursue other legislative opportunities to pass the 15-year depreciation provision.
- ASA and others will continue working for passage of the 15-year provision as well as other small business tax provisions.

