

108TH CONGRESS  
1ST SESSION

# H. R. 1824

To amend the Internal Revenue Code of 1986 to classify automatic fire sprinkler systems as 5-year property for purposes of depreciation.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2003

Mr. WELDON of Pennsylvania (for himself and Mr. LANGEVIN) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to classify automatic fire sprinkler systems as 5-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 of 2003”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) since the publication of the original study  
9 and comprehensive list of recommendations in Amer-  
10 ica Burning, written in 1974, requested advances in

1 fire prevention through the installation of automatic  
2 sprinkler systems in existing buildings have yet to be  
3 fully implemented;

4 (2) fire departments responded to approxi-  
5 mately 1.7 million fires in 2001;

6 (3) there were 3,745 non-terrorist related  
7 deaths in the United States and almost 21,000 civil-  
8 ian injuries resulting from fire in 2001;

9 (4) 99 firefighters were killed in 2001, exclud-  
10 ing the terrorist acts on September 11th;

11 (5) fire caused \$8.9 billion in direct property  
12 damage in 2001, and sprinklers are responsible for  
13 a 43 to 70 percent reduction in property damage  
14 from fires in public assembly, educational, residen-  
15 tial, commercial, industrial and manufacturing build-  
16 ings;

17 (6) fire departments respond to a fire every 18  
18 seconds, a fire breaks out in a structure every 60  
19 seconds and in a residential structure every 80 sec-  
20 onds in the United States;

21 (7) the Station Nightclub in West Warwick,  
22 Rhode Island, did not contain an automated sprin-  
23 kler system and burned down, killing 99 people on  
24 February 20, 2003;

1           (8) due to an automated sprinkler system, not  
2 a single person was injured from a fire beginning in  
3 the Fine Line Music Café in Minneapolis after the  
4 use of pyrotechnics on February 17, 2003;

5           (9) the National Fire Protection Association  
6 has no record of a fire killing more than two people  
7 in a completely sprinklered public assembly, edu-  
8 cational, institutional or residential building where  
9 the system was properly installed and fully oper-  
10 ational;

11           (10) sprinkler systems dramatically improve the  
12 chances of survival of those who cannot save them-  
13 selves, specifically older adults, young children and  
14 people with disabilities;

15           (11) most property owners are incapable of up-  
16 grading fire counter measures in buildings built  
17 prior to fire safety codes due to the financial cost of  
18 retrofitting;

19           (12) many State and local governments lack  
20 any requirements for new structures to contain auto-  
21 matic sprinkler systems;

22           (13) under the present straight-line method of  
23 depreciation, there is a disincentive for building safe-  
24 ty improvements due to an extremely low rate of re-  
25 turn on investment; and

1           (14) the Nation is in need of incentives for the  
 2           voluntary installation and retrofitting of buildings  
 3           with automated sprinkler systems to save the lives of  
 4           countless individuals and responding firefighters as  
 5           well as drastically reduce the costs from property  
 6           damage.

7   **SEC. 3. CLASSIFICATION OF AUTOMATIC FIRE SPRINKLER**  
 8                                   **SYSTEMS.**

9           (a) IN GENERAL.—Subparagraph (B) of section  
 10 168(e)(3) of the Internal Revenue Code of 1986 (relating  
 11 to 5-year property) is amended by striking “and” at the  
 12 end of clause (v), by striking the period at the end of  
 13 clause (vi) and inserting “, and”, and by adding at the  
 14 end the following:

15                                   “(vii) any automatic fire sprinkler sys-  
 16                                   tem.”.

17           (b) ALTERNATIVE SYSTEM.—The table contained in  
 18 section 168(g)(3)(B) of such Code is amended by inserting  
 19 after the third item the following:

“(B)(vii) ..... 7”.

20           (c) DEFINITION OF AUTOMATIC FIRE SPRINKLER  
 21 SYSTEM.—Subsection (i) of section 168 of such Code is  
 22 amended by adding at the end the following:

23                                   “(15) AUTOMATED FIRE SPRINKLER SYSTEM.—  
 24           The term ‘automated fire sprinkler system’ means  
 25           those sprinkler systems classified under one or more

1 of the following publications of the National Fire  
2 Protection Association—

3 “(A) NFPA 13, Installation of Sprinkler  
4 Systems,

5 “(B) NFPA 13 D, Installation of Sprin-  
6 kler Systems in One and Two Family Dwellings  
7 and Manufactured Homes, and

8 “(C) NFPA 13 R, Installation of Sprinkler  
9 Systems in Residential Occupancies up to and  
10 Including Four Stories in Height.”.

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

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