

SECTION 1. SHORT TITLE. This Act may be cited as the Public Safety and Protection Investment Act of 2003''. SEC. 2. BUSINESS DEDUCTION FOR PURCHASE AND INSTALLATION OF SECURITY DEVICES. (a) In General.--Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to itemized deductions for individuals and corporations) is amended by inserting after section 179A the following new section: SEC. 179B. SECURITY DEVICE PURCHASES. (a) Allowance of Deduction.--A taxpayer may elect to treat the cost of any qualifying security device as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the taxable year in which such device is placed in service. (b) Definitions.--For purposes of this section-- (1) Qualifying security device.--The term 'qualifying security device' means a security device (to which section 168 applies) which is acquired by purchase (as defined in section 179(d)(2)) and which is installed or placed in service in a building which is owned or occupied by the taxpayer and which is located in the United States. (2) Security device.--The term security device' means any of the following: ``(A) An electronic access control device or system. ``(B) Biometric identification or verification device or system. ``(C) Closed-circuit television or other surveillance and security cameras and equipment. ``(D) Locks for doors and windows, including tumbler, key, and numerical or other coded devices. ``(E) Computers and software used to combat cyberterrorism. ``(F) Electronic alarm systems to provide detection notification and off-premises transmission of an unauthorized entry, attack, or fire. ``(G) An electronic device capable of tracking or verifying the presence of assets. ``(H) High efficiency air filtering systems. ``(I) Mechanical and non-mechanical vehicle arresting barricades. ``(J) Metal detectors. ``(K) Signal repeating devices for emergency response personnel wireless communication systems. ``(L) Components, wiring, system displays, terminals, auxiliary power supplies, computer systems, software, networking infrastructure and other equipment necessary or incidental to the operation of any item described in any of the preceding subparagraphs. ``(3) Building.--The term building' includes any structure or part of a structure used for commercial, retail, or business purposes. (c) Special Rules.-- (1) Basis reduction.--For purposes of this subtitle, if a deduction is allowed under this section with respect to the purchase of a qualifying security device, the basis of such device shall be reduced by the amount of the deduction so allowed. (2) Certain rules to apply.--Rules similar to the rules of section 179(b)(3), section 179(c), and paragraphs (3), (4), (8), and (10) of section 179(d), shall apply for purposes of this section.''. (b) Conforming and Clerical Amendments.-- (1) Section 263(a)(1) of such Code is amended by striking or" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting , or'', and by inserting after subparagraph (H) the following new

subparagraph: (l) expenditures for which a deduction is allowed under section 179B.". (2) Section 312(k)(3)(B) of such Code is amended by striking or 179A'' each place it appears in the heading and text and inserting , 179A, or 179B". (3) Section 1016(a) of such Code is amended by striking and'' at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting , and", and by inserting after paragraph (28) the following new paragraph: (29) to the extent provided in section 179B(d)(1),''. (4) Section 1245(a) of such Code is amended by inserting 179B," after 179A, '' both places it appears in paragraphs (2)(C) and (3)(C). (5) The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 179A the following new item: Sec. 179B. Security device purchases.". (c) Effective Date.--The amendments made by this Act shall apply to taxable years ending after the date of the enactment of this Act.