

**(g) Termination**

This section shall not apply to any building placed in service after December 31, 2009.

(Added Pub. L. 106-554, §1(a)(7) [title I, §101(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A-596.)

**§ 1400J. Increase in expensing under section 179****(a) In general**

For purposes of section 1397A—

- (1) a renewal community shall be treated as an empowerment zone,
- (2) a renewal community business shall be treated as an enterprise zone business, and
- (3) qualified renewal property shall be treated as qualified zone property.

**(b) Qualified renewal property**

For purposes of this section—

**(1) In general**

The term “qualified renewal property” means any property to which section 168 applies (or would apply but for section 179) if—

(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after December 31, 2001, and before January 1, 2010, and

(B) such property would be qualified zone property (as defined in section 1397D) if references to renewal communities were substituted for references to empowerment zones in section 1397D.

**(2) Certain rules to apply**

The rules of subsections (a)(2) and (b) of section 1397D shall apply for purposes of this section.

(Added Pub. L. 106-554, §1(a)(7) [title I, §101(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A-598.)

**Subchapter Y—Short-Term Regional Benefits**

Part	
I.	Tax Benefits for New York Liberty Zone.
II.	Tax Benefits for GO Zones.
III.	Recovery Zone Bonds.

**AMENDMENTS**

2009—Pub. L. 111-5, div. B, title I, §1401(b), Feb. 17, 2009, 123 Stat. 351, added item for part III.

2005—Pub. L. 109-135, title I, §101(b)(3), Dec. 21, 2005, 119 Stat. 2593, substituted “Short-Term Regional Benefits” for “New York Liberty Zone Benefits” in subchapter heading and amended analysis generally, substituting items for parts I and II for item 1400L.

**PART I—TAX BENEFITS FOR NEW YORK LIBERTY ZONE**

Sec.	
1400L.	Tax benefits for New York Liberty Zone.

**§ 1400L. Tax benefits for New York Liberty Zone****(a) Expansion of work opportunity tax credit****(1) In general**

For purposes of section 51, a New York Liberty Zone business employee shall be treated as a member of a targeted group.

**(2) New York Liberty Zone business employee**

For purposes of this subsection—

**(A) In general**

The term “New York Liberty Zone business employee” means, with respect to any

period, any employee of a New York Liberty Zone business if substantially all the services performed during such period by such employee for such business are performed in the New York Liberty Zone.

**(B) Inclusion of certain employees outside the New York Liberty Zone****(i) In general**

In the case of a New York Liberty Zone business described in subclause (II) of subparagraph (C)(i), the term “New York Liberty Zone business employee” includes any employee of such business (not described in subparagraph (A)) if substantially all the services performed during such period by such employee for such business are performed in the City of New York, New York.

**(ii) Limitation**

The number of employees of such business that are treated as New York Liberty Zone business employees on any day by reason of clause (i) shall not exceed the excess of—

(I) the number of employees of such business on September 11, 2001, in the New York Liberty Zone, over

(II) the number of New York Liberty Zone business employees (determined without regard to this subparagraph) of such business on the day to which the limitation is being applied.

The Secretary may require any trade or business to have the number determined under subclause (I) verified by the New York State Department of Labor.

**(C) New York Liberty Zone business****(i) In general**

The term “New York Liberty Zone business” means any trade or business which is—

(I) located in the New York Liberty Zone, or

(II) located in the City of New York, New York, outside the New York Liberty Zone, as a result of the physical destruction or damage of such place of business by the September 11, 2001, terrorist attack.

**(ii) Credit not allowed for large businesses**

The term “New York Liberty Zone business” shall not include any trade or business for any taxable year if such trade or business employed an average of more than 200 employees on business days during the taxable year.

**(D) Special rules for determining amount of credit**

For purposes of applying subpart F of part IV of subchapter A of this chapter to wages paid or incurred to any New York Liberty Zone business employee—

(i) section 51(a) shall be applied by substituting “qualified wages” for “qualified first-year wages”,

(ii) the rules of section 52 shall apply for purposes of determining the number of employees under this paragraph,