

AMENDMENTS

2014—Subsec. (d)(1). Pub. L. 113-295 amended par. (1) generally. Prior to amendment, text read as follows: “A taxpayer may, without the consent of the Secretary, adopt the method provided in this section for his first taxable year—

“(A) which begins after December 31, 1953, and ends after August 16, 1954, and

“(B) for which expenditures described in subsection (a) are paid or incurred.”

2008—Pub. L. 110-246, § 15303(a)(2)(B), inserted “; endangered species recovery expenditures” after “conservation expenditures” in section catchline.

Subsec. (a). Pub. L. 110-246, § 15303(a)(2)(A), inserted “, or for endangered species recovery” after “erosion of land used in farming”.

Subsec. (c)(1). Pub. L. 110-246, § 15303(a)(1), (2)(A), in introductory provisions, inserted “, or for endangered species recovery” after “erosion of land used in farming” and “Such term shall include expenditures paid or incurred for the purpose of achieving site-specific management actions recommended in recovery plans approved pursuant to the Endangered Species Act of 1973.” after first sentence.

Subsec. (c)(3)(A). Pub. L. 110-246, § 15303(b)(1), inserted “or endangered species recovery plan” after “conservation plan” in heading.

Subsec. (c)(3)(A)(i). Pub. L. 110-246, § 15303(b)(2), inserted “or the recovery plan approved pursuant to the Endangered Species Act of 1973” after “Department of Agriculture”.

1986—Subsec. (c)(3). Pub. L. 99-514 added par. (3).

1976—Subsec. (d)(1). Pub. L. 94-455, § 1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Subsec. (d)(1)(A). Pub. L. 94-455, § 1901(a)(30), substituted “August 16, 1954” for “the date on which this title is enacted” after “and ends after”.

Subsecs. (d)(2), (e). Pub. L. 94-455, § 1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

1968—Subsec. (c)(1). Pub. L. 90-630, § 5(a), in text following subpar. (B), designated as cl. (i) existing provisions covering amounts which, if paid or incurred by the taxpayer, would without regard to the exception constitute deductible expenditures, and added cl. (ii).

Subsec. (f). Pub. L. 90-630, § 5(b), added subsec. (f).

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-295 effective Dec. 19, 2014, subject to a savings provision, see section 221(b) of Pub. L. 113-295, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

Pub. L. 110-234, title XV, § 15303(c), May 22, 2008, 122 Stat. 1502, and Pub. L. 110-246, § 4(a), title XV, § 15303(c), June 18, 2008, 122 Stat. 1664, 2264, provided that: “The amendments made by this section [amending this section] shall apply to expenditures paid or incurred after December 31, 2008.”

[Pub. L. 110-234 and Pub. L. 110-246 enacted identical provisions. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246, set out as a note under section 8701 of Title 7, Agriculture.]

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-514, title IV, § 401(b), Oct. 22, 1986, 100 Stat. 2221, provided that: “The amendment made by this section [amending this section] shall apply to amounts paid or incurred after December 31, 1986, in taxable years ending after such date.”

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1901(a)(30) of Pub. L. 94-455 applicable with respect to taxable years beginning after

Dec. 31, 1976, see section 1901(d) of Pub. L. 94-455, set out as a note under section 2 of this title.

EFFECTIVE DATE OF 1968 AMENDMENT

Pub. L. 90-630, § 5(c), Oct. 22, 1968, 82 Stat. 1330, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall apply to assessments levied after the date of the enactment of this Act [Oct. 22, 1968] in taxable years ending after such date.”

§ 176. Payments with respect to employees of certain foreign corporations

In the case of a domestic corporation, there shall be allowed as a deduction amounts (to the extent not compensated for) paid or incurred pursuant to an agreement entered into under section 3121(l) with respect to services performed by United States citizens employed by foreign subsidiary corporations. Any reimbursement of any amount previously allowed as a deduction under this section shall be included in gross income for the taxable year in which received.

(Added Sept. 1, 1954, ch. 1206, title II, § 210(a), 68 Stat. 1096.)

§ 177. Repealed. Pub. L. 99-514, title II, § 241(a), Oct. 22, 1986, 100 Stat. 2181]

Section, added June 29, 1956, ch. 464, § 4(a), 70 Stat. 406; amended Oct. 4, 1976, Pub. L. 94-455, title XIX, § 1906(b)(13)(A), 90 Stat. 1834, related to deductions for trademark and trade name expenditures.

EFFECTIVE DATE OF REPEAL

Pub. L. 99-514, title II, § 241(c), Oct. 22, 1986, 100 Stat. 2181, provided that:

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending sections 312 and 1016 of this title and repealing this section] shall apply to expenditures paid or incurred after December 31, 1986.

“(2) TRANSITIONAL RULE.—The amendments made by this section shall not apply to any expenditure incurred—

“(A) pursuant to a binding contract entered into before March 2, 1986, or

“(B) with respect to the development, protection, expansion, registration, or defense of a trademark or trade name commenced before March 2, 1986, but only if not less than the lesser of \$1,000,000 or 5 percent of the aggregate cost of such development, protection, expansion, registration, or defense has been incurred or committed before such date.

The preceding sentence shall not apply to any expenditure with respect to a trademark or trade name placed in service after December 31, 1987.”

§ 178. Amortization of cost of acquiring a lease**(a) General rule**

In determining the amount of the deduction allowable to a lessee for exhaustion, wear and tear, obsolescence, or amortization in respect of any cost of acquiring the lease, the term of the lease shall be treated as including all renewal options (and any other period for which the parties reasonably expect the lease to be renewed) if less than 75 percent of such cost is attributable to the period of the term of the lease remaining on the date of its acquisition.

(b) Certain periods excluded

For purposes of subsection (a), in determining the period of the term of the lease remaining on