

  
(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to expand the ability to  
expense certain qualified productions.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Ms. CHU introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_

**A BILL**

To amend the Internal Revenue Code of 1986 to expand  
the ability to expense certain qualified productions.

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 “Creative Relief and  
5 Expensing for Artistic Entertainment Act” or the “CRE-  
6 ATE Act”.

1 **SEC. 2. ADJUSTMENT OF PROVISIONS APPLICABLE TO**  
2 **QUALIFIED PRODUCTIONS.**

3 (a) DOLLAR LIMITATIONS.—Section 181(a)(2) of the  
4 Internal Revenue Code of 1986, as amended by section  
5 70434 of Public Law 119–21, is amended—

6 (1) in subparagraph (A), by striking  
7 “\$15,000,000” and inserting “\$30,000,000”,

8 (2) in subparagraph (B), by striking “by sub-  
9 stituting ‘\$20,000,000’ for ‘\$15,000,000’.” and in-  
10 serting “by substituting ‘\$40,000,000’ for  
11 ‘\$30,000,000’.”, and

12 (3) by adding at the end the following new sub-  
13 paragraph:

14 “(D) INFLATION ADJUSTMENT.—

15 “(i) IN GENERAL.—In the case of any  
16 taxable year beginning in a calendar year  
17 after 2026, each dollar amount in subpara-  
18 graphs (A), (B), and (C) shall be increased  
19 by an amount equal to—

20 “(I) such dollar amount, multi-  
21 plied by

22 “(II) the cost-of-living adjust-  
23 ment determined under section 1(f)(3)  
24 for the calendar year in which the tax-  
25 able year begins, determined by sub-  
26 stituting ‘calendar year 2025’ for ‘cal-

1                   endar year 2016’ in subparagraph  
2                   (A)(ii) thereof.

3                   “(ii) ROUNDING.—Any increase deter-  
4                   mined under clause (i) shall be rounded to  
5                   the nearest multiple of \$1,000.”.

6           (b) EXTENSION OF TERMINATION.—Subsection (h)  
7 of section 181 of such Code, as redesignated and amended  
8 by section 70434 of Public Law 119–21, is amended by  
9 striking “December 31, 2025” and inserting “December  
10 31, 2030”.

11          (c) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to productions commencing in tax-  
13 able years ending after December 31, 2025.