“Animal Welfare Accountability and Transparency Act”
(S.503 and H.R.1368)

Legislation Would Create Tax Penalties for AWA Violators

“To require the Secretary of Agriculture to make publicly available certain regulatory records relating to the administration of the Animal Welfare Act and the Horse Protection Act, to amend the Internal Revenue Code of 1986 to provide for the use of an alternative depreciation system for taxpayers violating rules under the Animal Welfare Act and the Horse Protection Act, and for other purposes.”

LEGISLATION SUMMARY

- The legislation includes a provision that any taxpayer, including research facilities, having been assessed a civil penalty or convicted of violating the Animal Welfare Act (AWA) must use an alternative depreciation system for a 5-taxable year period.

- Also requires the posting of each inspection report and annual report submitted by a research facility to the U.S. Department of Agriculture’s Animal and Plant Health Inspection Service (APHIS) website. The legislation proposes that reports be posted in their “entirety.”

S.503

- Introduced in the U.S. Senate on 3/02/2017 by Senator Ron Wyden (D-OR) and referred to the Senate Finance Committee.

- Cosponsored by:
  - Senators Richard Blumenthal (D-CT), Cory Booker (D-NJ), Maria Cantwell (D-WA), Bob Menendez (D-NJ), and Gary Peters (D-MI).
  - Language may apply to all tangible property and computer software (among other categories) and would prohibit claiming accelerated depreciation on a much wider swath of property.
H.R.1368

- Introduced in the U.S. House of Representatives on 3/06/2017 by Representative Earl Blumenauer (D-OR) and referred to the House Agriculture Committee, House Energy and Commerce Committee, and House Ways and Means Committee.

- Language is IDENTICAL to S. 503, the bill summarized above.

- Cosponsored by:
  - Representatives Don Beyer (D-VA), Suzanne Bonamici (D-OR), Brendan Boyle (D-PA), Salud Carbajal (D-CA), Tony Cardenas (D-CA), Judy Chu (D-CA), David Cicilline (D-RI), Steve Cohen (D-TN), Gerry Connolly (D-VA), Charlie Crist (D-FL), Susan Davis (D-CA), Ted Deutch (D-FL), John Garamendi (D-CA), Raul Grijalva (D-AZ), Jared Huffman (D-CA), Sheila Jackson Lee (D-TX), Eddie Bernice Johnson (D-TX), Bill Keating (D-MA), Jim Langevin (D-RI), Barbara Lee (D-CA), Ted Lieu (D-CA), Michelle Lujan Grisham (D-NM), Stephen Lynch (D-MA), Betty McCollum (D-MN), Jerry McNerney (D-CA), Gregory Meeks (D-NY), Jerrold Nadler (D-NY), Tom O’Halleran (D-AZ), Scott Peters (D-CA), Chellie Pingree (D-ME), Mark Pocan (D-WI), Jared Polis (D-CO), Mike Quigley (D-IL), Jamie Raskin (D-MD), Lucille Roybal-Allard (D-CA), Jan Schakowsky (D-IL), Kurt Schrader (D-OR), Carol Shea-Porter (D-NH), Brad Sherman (D-CA), Adam Smith (D-WA), Jackie Speier (D-CA), Thomas Suozzi (D-NY), Dina Titus (D-NV), Debbie Wasserman Schultz (D-FL), and Peter Welch (D-VT).

- Blumenauer’s statement on the introduction of H.R.1368: “The bill would take away certain tax benefits for businesses that are found to be in violation of those laws. Under current tax rules, the costs of breeding and working animals are treated the same as machinery and equipment, and businesses may deduct these costs from their taxes over a specified period. The bill would prohibit businesses found to have violated the Animal Welfare Act or the Horse Protection Act from claiming these accelerated depreciation bonuses for tax purposes... I call on my colleagues to support this bill so that we can send a strong message to animal abusers across this country that their horrendous actions will not be kept in the shadows.”