

119TH CONGRESS
2D SESSION

S. 4688

To amend the Internal Revenue Code of 1986 to classify qualified energy-efficient draft alcohol property as 15-year property for purposes of depreciation.

IN THE SENATE OF THE UNITED STATES

JUNE 4, 2026

Mr. SHEEHY (for himself and Ms. HASSAN) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to classify qualified energy-efficient draft alcohol property as 15-year property for purposes of depreciation.

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 “Creating Hospitality
5 Economic Enhancement for Restaurants and Servers Act
6 of 2026” or the “CHEERS Act of 2026”.

1 **SEC. 2. CLASSIFICATION OF QUALIFIED ENERGY-EFFI-**
 2 **CIENT DRAFT ALCOHOL PROPERTY AS 15-**
 3 **YEAR PROPERTY FOR PURPOSES OF DEPRE-**
 4 **CIATION.**

5 (a) CLASSIFICATION AS 15-YEAR PROPERTY.—Sec-
 6 tion 168(e)(3)(E) of the Internal Revenue Code of 1986
 7 is amended by striking “and” at the end of clause (vi),
 8 by striking the period at the end of clause (vii) and insert-
 9 ing “, and”, and by adding at the end the following new
 10 clause:

11 “(viii) any qualified energy-efficient
 12 draft alcohol property.”.

13 (b) DEFINITION OF QUALIFIED ENERGY-EFFICIENT
 14 DRAFT ALCOHOL PROPERTY.—Section 168(i) of such
 15 Code is amended by adding at the end the following new
 16 paragraph:

17 “(20) QUALIFIED ENERGY-EFFICIENT DRAFT
 18 ALCOHOL PROPERTY.—The term ‘qualified energy-
 19 efficient draft alcohol property’ means any prop-
 20 erty—

21 “(A) which is installed on or in any build-
 22 ing which is located in the United States,

23 “(B) which is principally used in the con-
 24 duct of a trade or business of operating a res-
 25 taurant, bar, or entertainment venue, and

1 “(C) which is a stainless steel or aluminum
2 container or related commercial tap equipment
3 used for the distribution and sale of alcohol.”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 subsections (a) and (b) shall apply to property placed in
6 service after December 31, 2025.

7 (d) REGULATORY AUTHORITY.—The Secretary of the
8 Treasury shall prescribe such regulations or other guid-
9 ance as may be necessary or appropriate to carry out the
10 purposes of the amendments made by subsections (a) and
11 (b), including to provide for the appropriate application
12 of section 168 of the Internal Revenue Code of 1986 with
13 respect to taxpayers who rent or lease qualified energy-
14 efficient draft alcohol property (as defined in section
15 168(i)(20) of the Internal Revenue Code of 1986).

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