

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
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TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The U.S. Chamber of Commerce strongly supports S. 749, the “American Innovation and Jobs Act,” and H.R. 1304, the “American Innovation and R&D Competitiveness Act.” These bills would preserve the ability of companies to immediately deduct research and development (R&D) expenses. **Members who cosponsor this legislation will receive credit for the Leadership component of the Chamber’s “How They Voted” scorecard.**

Without action, businesses will have to amortize R&D expensing over a five-year period beginning in 2022. Requiring amortization of these expenses would make the United States a global outlier, as only two other developed countries have such a policy. This bipartisan legislation to repeal this provision will ensure that the R&D tax credit, along with the ability to deduct R&D expenses, remains an effective engine for American innovation.

Immediate R&D expensing incentivizes long-term investments in innovation and technological breakthroughs by providing a business an opportunity to deduct research and development activities in the tax year that they occur. In fact, economic models show that cancelling the shift from immediate expensing to amortization has a pro-growth impact. The American Innovation and Jobs Act and American Innovation and R&D Competitiveness Act would ensure that the United States continues to be the world leader in this space.

The Chamber urges you to cosponsor these important bills.

Sincerely,



Neil L. Bradley