

119TH CONGRESS  
1ST SESSION

# H. R. 2871

To amend the Internal Revenue Code of 1986 to restrict the advanced manufacturing production credit with respect to components produced by, or in connection with, foreign entities of concern.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2025

Mr. MILLER of Ohio introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to restrict the advanced manufacturing production credit with respect to components produced by, or in connection with, foreign entities of concern.

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 “Safeguarding U.S.  
5 Supply Chains Act”.

1 **SEC. 2. RESTRICTION ON ADVANCED MANUFACTURING**  
2 **PRODUCTION CREDIT WITH RESPECT TO**  
3 **FOREIGN ENTITIES OF CONCERN.**

4 (a) CREDIT NOT ALLOWED FOR COMPONENTS PRO-  
5 DUCED BY FOREIGN ENTITIES OF CONCERN.—Section  
6 45X(d) of the Internal Revenue Code of 1986 is amended  
7 by adding at the end the following new paragraph:

8 “(5) CREDIT NOT ALLOWED FOR COMPONENTS  
9 PRODUCED BY FOREIGN ENTITIES OF CONCERN.—  
10 No credit shall be allowed under this section with re-  
11 spect to any eligible component which is produced by  
12 a foreign entity of concern (as defined in section  
13 9901(8) of the William M. Mac Thornberry National  
14 Defense Authorization Act for Fiscal Year 2021 (15  
15 U.S.C. 4651(8))).”.

16 (b) ADDITIONAL RESTRICTIONS WITH RESPECT TO  
17 QUALIFYING BATTERY COMPONENTS.—Section 45X(c)(5)  
18 of such Code is amended by adding at the end the fol-  
19 lowing new subparagraph:

20 “(C) PROHIBITION ON CERTAIN INVOLVE-  
21 MENT OF FOREIGN ENTITIES OF CONCERN.—  
22 The term ‘qualifying battery component’ shall  
23 not include any battery component produced  
24 using technology designed, developed, manufac-  
25 tured, licensed, or supplied by a foreign entity  
26 of concern (as defined in section 9901(8) of the

1 William M. Mac Thornberry National Defense  
2 Authorization Act for Fiscal Year 2021 (15  
3 U.S.C. 4651(8))).”.

4 (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply to components produced and sold  
6 after the date of the enactment of this Act.

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