

119TH CONGRESS
2D SESSION

S. 4750

To amend the Internal Revenue Code of 1986 to clarify the application of the advanced manufacturing investment credit with respect to semiconductor manufacturing facilities located in outer space.

IN THE SENATE OF THE UNITED STATES

JUNE 11, 2026

Mr. BUDD (for himself and Mr. BENNET) 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 clarify the application of the advanced manufacturing investment credit with respect to semiconductor manufacturing facilities located in outer space.

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 “Semiconductor Superi-
5 ority Act”.

1 **SEC. 2. CLARIFYING APPLICATION OF ADVANCED MANU-**
 2 **FACTURING INVESTMENT CREDIT FOR SEMI-**
 3 **CONDUCTOR MANUFACTURING FACILITIES**
 4 **LOCATED IN OUTER SPACE.**

5 (a) IN GENERAL.—Section 48D(b) of the Internal
 6 Revenue Code of 1986 is amended by adding at the end
 7 the following new paragraph:

8 “(6) APPLICATION TO FACILITIES LOCATED IN
 9 OUTER SPACE.—

10 “(A) IN GENERAL.—In the case of an ad-
 11 vanced manufacturing facility which is located
 12 in outer space—

13 “(i) for purposes of paragraph (1),
 14 qualified property shall not fail to be treat-
 15 ed as part of such facility solely because
 16 such qualified property is—

17 “(I) used to transport crew,
 18 goods, equipment, material, or sup-
 19 plies in outer space to and from such
 20 facility, or

21 “(II) not located in outer space,
 22 and

23 “(ii) for purposes of paragraph (2)—

24 “(I) property shall not fail to be
 25 treated as qualified property solely be-

1 cause such property is located in outer
2 space,

3 “(II) with respect to subpara-
4 graph (A)(iv), property shall not fail
5 to be treated as integral to the oper-
6 ation of such facility solely because
7 such property is—

8 “(aa) used in the manner
9 described in clause (i)(I), or

10 “(bb) not located in outer
11 space, and

12 “(III) with respect to subpara-
13 graph (B)(ii), functions related to
14 manufacturing shall include—

15 “(aa) flight control oper-
16 ations,

17 “(bb) crew habitation in
18 outer space,

19 “(cc) repair of the facility,
20 and

21 “(dd) transportation of
22 crew, goods, equipment, material,
23 or supplies to and from the facil-
24 ity.

1 “(B) OUTER SPACE.—For purposes of this
 2 paragraph, the term ‘outer space’ shall include
 3 low-Earth orbit.

4 “(C) EXCLUSION.—For purposes of this
 5 subsection, the term ‘qualified property’ shall
 6 not include a rocket or similar launch vehicle
 7 constructed for the purpose of propelling a pay-
 8 load from Earth into outer space.”.

9 (b) OTHER SPECIAL RULES.—Section 50(b) of the
 10 Internal Revenue Code of 1986 is amended—

11 (1) in paragraph (1)(B), by inserting “or any
 12 qualified property which is part of an advanced man-
 13 ufacturing facility located in outer space (as such
 14 terms are defined under section 48D(b)) and held by
 15 a United States person if such property was
 16 launched from within the United States” after “sec-
 17 tion 168(g)(4)”, and

18 (2) in paragraph (2)—

19 (A) in subparagraph (C), by striking
 20 “and” at the end,

21 (B) in subparagraph (D), by striking the
 22 period at the end and inserting “; and”, and

23 (C) by adding at the end the following new
 24 subparagraph:

1 “(E) any qualified property which is part
2 of an advanced manufacturing facility located
3 in outer space (as such terms are defined under
4 section 48D(b)).”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to property placed in service after
7 the date of enactment of this Act.

8 (d) RULE OF CONSTRUCTION.—Nothing in this Act,
9 or the amendments made by this Act, shall be construed
10 to create any inference with respect to the allowance or
11 determination of the advanced manufacturing investment
12 credit under section 48D of the Internal Revenue Code
13 of 1986 with respect to an advanced manufacturing facil-
14 ity located in outer space on or before the date of the en-
15 actment of this Act.

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