

105TH CONGRESS
1ST SESSION

S. 1464

To amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 8, 1997

Mr. HATCH (for himself, Mr. BAUCUS, Mr. MACK, Mr. ABRAHAM, Mr. CONRAD, Mr. LIEBERMAN, Mr. MURKOWSKI, Mrs. BOXER, Mr. ROCKEFELLER, Mrs. FEINSTEIN, Mrs. MURRAY, and Mr. DURBIN) 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 permanently extend the research credit, and for other purposes.

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. EXTENSION OF RESEARCH CREDIT.**

4 (a) CREDIT MADE PERMANENT.—

5 (1) IN GENERAL.—Section 41 of the Internal
6 Revenue Code of 1986 (relating to credit for increas-
7 ing research activities) is amended by striking sub-
8 section (h).

1 (2) CONFORMING AMENDMENT.—Paragraph (1)
2 of section 45C(b) of such Code is amended by strik-
3 ing subparagraph (D).

4 (b) INCREASE IN ALTERNATIVE INCREMENTAL
5 CREDIT RATES.—Subparagraph (A) of section 41(c)(4) of
6 the Internal Revenue Code of 1986 is amended—

7 (1) in clause (i), by striking “1.65 percent” and
8 inserting “2.65 percent”,

9 (2) in clause (ii), by striking “2.2 percent” and
10 inserting “3.2 percent”, and

11 (3) in clause (iii), by striking “2.75 percent”
12 and inserting “3.75 percent”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 subsections (a) and (b) shall apply to amounts paid or in-
15 curred after June 30, 1998.

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