

Calendar No. 195

115TH CONGRESS
1ST SESSION**S. 650**

To amend the Small Business Act to expand tax credit education and training for small businesses that engage in research and development, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 15, 2017

Mr. COONS (for himself and Mr. ROBERTS) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

AUGUST 2, 2017

Reported by Mr. RISCH, without amendment

A BILL

To amend the Small Business Act to expand tax credit education and training for small businesses that engage in research and development, 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. SHORT TITLE.**

4 This Act may be cited as the “Support Small Busi-
5 ness R & D Act of 2017”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act—

3 (1) the term “Administrator” means the Ad-
4 ministrator of the Small Business Administration;

5 (2) the term “Commissioner” means the Com-
6 missioner of Internal Revenue;

7 (3) the term “small business concern” has the
8 meaning given the term in section 3 of the Small
9 Business Act (15 U.S.C. 632); and

10 (4) the term “small business development cen-
11 ter” means a center described in section 21 of the
12 Small Business Act (15 U.S.C. 648).

13 **SEC. 3. SBA AND IRS PARTNERSHIPS.**

14 Beginning not later than 180 days after the date of
15 enactment of this Act, the Administrator, in consultation
16 with the Commissioner, shall develop partnership agree-
17 ments that—

18 (1) provide for the development of—

19 (A) basic training, including in-person or
20 modular training sessions, relating to Federal
21 income tax credits that benefit small business
22 concerns and startups, especially credits for re-
23 search and experimentation; and

24 (B) informational materials relating to
25 such credits, including Internal Revenue Service
26 guidance documents;

1 (2) provide the basic training and informational
2 materials developed under paragraph (1)—

3 (A) through electronic resources, including
4 Internet-based webinars; and

5 (B) at physical locations, including small
6 business development centers; and

7 (3) make such materials available to—

8 (A) business development programs admin-
9 istered by the Small Business Administration,
10 including women’s business centers, Veterans
11 Business Outreach Centers, and U.S. Export
12 Assistance Centers, and nonprofit research
13 partners such as the Service Corps of Retired
14 Executives authorized under section 8(b)(1)(B)
15 of the Small Business Act (15 U.S.C.
16 637(b)(1)(B)); and

17 (B) business development entities that
18 partner with Small Business Administration
19 programs, including universities, nonprofits,
20 business incubators, and business accelerators.

21 **SEC. 4. REPORTING REQUIREMENT.**

22 Not later than 180 days after the date of enactment
23 of this Act, the Administrator, in consultation with the
24 Commissioner, shall submit to Congress a report describ-

1 ing how the Small Business Administration and the Inter-
 2 nal Revenue Service will—

3 (1) provide outreach and educational materials
 4 to small business concerns, businesses of medium
 5 size, and startups regarding section 41(h) of the In-
 6 ternal Revenue Code of 1986, as amended by section
 7 121 of the Protecting Americans from Tax Hikes
 8 Act of 2015; and

9 (2) help and encourage tax advisors to educate
 10 such businesses about the important amendments
 11 made by such Act to section 41 of such Code.

12 **SEC. 5. SMALL BUSINESS DEVELOPMENT CENTERS.**

13 Section 21(c)(3) of the Small Business Act (15
 14 U.S.C. 648(c)(3)) is amended—

15 (1) in subparagraph (S), by striking “and” at
 16 the end;

17 (2) in subparagraph (T), by striking the period
 18 at the end and inserting “; and”; and

19 (3) by adding at the end the following:

20 “(U) in conjunction with the Internal Rev-
 21 enue Service, providing informational materials,
 22 education, and basic training—

23 “(i) to small business concerns relat-
 24 ing to Federal income tax credits available

1 under the Internal Revenue Code of 1986,
2 including—

3 “(I) credits available to busi-
4 nesses generally; and

5 “(II) credits available to small
6 business concerns and startups spe-
7 cifically, especially credits for research
8 and experimentation; and

9 “(ii) which may be delivered—

10 “(I) in person; or

11 “(II) through an Internet
12 website.”.

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