

116TH CONGRESS
1ST SESSION

H. R. 591

To amend the Internal Revenue Code of 1986 to increase the research credit with respect to amounts paid or incurred for qualified research occurring in the United States.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2019

Mr. BROWN of Maryland (for himself, Mr. CICILLINE, and Ms. NORTON) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase the research credit with respect to amounts paid or incurred for qualified research occurring in the United States.

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 “21st Century Invest-
5 ment Act of 2019”.

1 **SEC. 2. INCREASE IN RESEARCH CREDIT FOR CONTRACTED**
2 **RESEARCH WITH UNITED STATES BUSI-**
3 **NESSES.**

4 (a) IN GENERAL.—Section 41 of the Internal Rev-
5 enue Code of 1986 is amended by adding at the end the
6 following new subsection:

7 “(i) SPECIAL RULE FOR CONTRACTED RESEARCH
8 WITH UNITED STATES MANUFACTURING BUSINESS.—

9 “(1) IN GENERAL.—If the taxpayer elects the
10 application of this subsection, subsection (a)(1) shall
11 be applied by substituting ‘25 percent’ for ‘20 per-
12 cent’ with respect to qualified United States re-
13 search expenses.

14 “(2) QUALIFIED UNITED STATES RESEARCH
15 EXPENSES.—For purposes of this subsection, the
16 term ‘qualified United States research expenses’
17 means any amount paid or incurred by the taxpayer
18 to any person (other than an employee of the tax-
19 payer) for qualified research, substantially all of
20 which occurs in the United States.

21 “(3) SEPARATE APPLICATION OF SECTION.—In
22 the case of any election of the application of this
23 subsection, this section shall be applied separately
24 with respect to qualified United States research ex-
25 penses.”.

1 (b) **EFFECTIVE DATE.**—The amendments made by
2 this section shall apply to amounts paid or incurred in tax-
3 able years beginning after the date of the enactment of
4 this Act.

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