

May 12, 2010

The Honorable Sander M. Levin
Chairman
Committee on Ways and Means
Washington, D.C. 20515

The Honorable Dave Camp
Ranking Member
Committee on Ways and Means
Washington, D.C. 20515

Dear Chairman Levin and Ranking Member Camp:

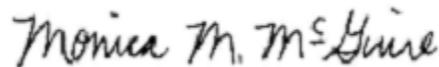
The R&D Credit Coalition supports the Committee's effort to extend the R&D credit for one year as part of the tax extenders package and the Committee's focus on increasing U.S. jobs.

We believe that extending the credit will have a positive jobs impact. According to TechAmerica – one of our steering committee association members – the expired research credit is costing the U.S. economy \$45 million and 322 lost jobs per day. By renewing the credit retroactively through the end of the year, you will help create or save 117,530 U.S. jobs.

We also urge you to consider data from the Internal Revenue Service (IRS) Statistics of Income (SOI) for 2007 (latest year available). The 2007 SOI data reports that approximately 70% of qualified research expenses were spent on wages for qualified research services. According to this data, 70% of \$158 billion (total of QREs in 2007) totals \$110.6 billion spent on qualified research wages

The R&D tax credit has a proven history of encouraging additional investments in research and promoting U.S. based high-wage job growth. The Coalition looks forward to working with the Committee to strengthen and extend the R&D tax credit so that businesses can invest in U.S.– based R&D with certainty well into the future.

Sincerely,



Monica M. McGuire
(National Association of Manufacturers)
Executive Secretary, R&D Credit Coalition

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