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**CONTACT:**

James Allen

202-225-4165

James.Allen@mail.house.gov

**WASHINGTON** — At a press conference this afternoon, U.S. Representative John Carney introduced the Research and Development Tax Credit Extension Act to increase the business research and development tax credit from 14 percent to 17 percent -- and make it permanent.

“Congress should be focused on creating jobs here in the United States,” said Rep. Carney. “By increasing the research and development tax credit and making it permanent, we incentivize businesses to set up their operations here in America and create jobs.”

The R&D tax credit is critical to supporting business innovation and personnel recruitment and retention -- but it has lagged behind the levels of support most other advanced economies provide. Moreover, because it's only temporary, the tax credit has resulted in a great deal of uncertainty in the businesses community, which is holding billions in capital.

“In my home state of Delaware, businesses from across the spectrum – agriculture, biotech, chemical and renewable energy – benefit from this tax credit,” said Rep. Carney. “The tax credit allows companies to develop the innovative technologies needed to win the future, while creating jobs and making the United States more competitive internationally.”

“Innovation is a critical engine of US competitiveness, and a robust, permanent R&D tax credit helps to keep that engine running,” said Thomas Connelly, Executive Vice President and Chief Innovation Officer for DuPont. “We applaud Congressman Carney's recognition of the importance of spurring innovation in the U.S. economy.”

The U.S. research and development tax credit has waned in efficacy. It is no longer in the top 20 worldwide. Other countries offer higher, permanent rates, whereas the U.S. offers a lower credit that must be renewed annually or biannually. The credit has lapsed in the past, and the lack of predictability hampers investments in research and development.

Studies have shown that every dollar of research and development adds approximately two dollars of benefit to our economy.

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