



August 11, 2009

The Honorable Daniel K. Akaka
United States Senate
141 Senate Hart Office Building
Washington, DC 20510

Dear Senator Akaka:

On behalf of the R&D Credit Coalition, we urge you to cosponsor S. 1203, legislation introduced by Senate Finance Committee Chairman Max Baucus and Senator Orrin Hatch to permanently extend and strengthen the research and development (“R&D”) tax credit.

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 credit is only available for research performed in the United States. We believe investing in research – especially during these difficult economic times – is crucial to repowering the American economy. The Coalition looks forward to working with you and your colleagues to strengthen the R&D tax credit so that businesses will be able to plan and invest in U.S. – based R&D with certainty well into the future.

The R&D Credit Coalition is a group of more than 100 trade and professional associations along with small, medium and large companies that collectively represent millions of American workers engaged in U.S.-based research throughout major sectors of the U.S. economy, including aerospace, agriculture, biotechnology, chemicals, electronics, energy, information technology, manufacturing, medical technology, pharmaceuticals, software and telecommunications.

On behalf of the R&D Credit Coalition, we thank you for your leadership in introducing H.R. 422, which increases the Alternative Simplified Credit (“ASC”) from 14 percent to 20 percent, permanently extends the ASC, and extends the traditional credit through 2010. As you recognize, a vibrant R&D tax credit is a vital engine for our nation’s economic growth, competitiveness and prosperity, which is particularly critical given the current state of our economy.

We look forward to working with you and others in Congress and the Obama administration to enact a strengthened, permanent R&D credit in the next appropriate legislative

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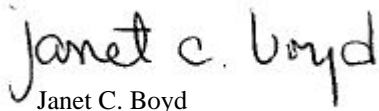
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vehicle. We are confident that a strengthened R&D tax credit will contribute to the creation and preservation of high-wage U.S. research and lead to the development of new innovative technologies and products of the 21st century.

Sincerely,



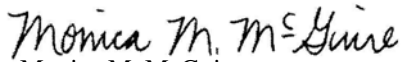
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Monica M. McGuire
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