

# News Alert

07-103

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## **NAM HAILS INTRODUCTION OF BIPARTISAN R&D TAX CREDIT LEGISLATION**

*“Credit Keeps World Class Innovators and Innovations in the United States,” Engler Says*

WASHINGTON, D.C., May 3, 2007 – The National Association of Manufacturers today applauded senior members of the House Ways and Means Committee for introducing legislation to strengthen and make permanent the research and development (R&D) tax credit.

“Manufacturers understand that R&D drives product development and productivity gains,” said NAM President John Engler. “With the current credit set to expire for the thirteenth time at the end of the year, accolades to the new Congress for advancing this important, pro-growth legislation.”

The bill, introduced by Reps. Sandy Levin (D-MI) and Dave Camp (R-MI), would make the R&D tax credit permanent and strengthen it by raising the rate for the Alternative Simplified Credit (ASC) from 12 to 20 percent. “The R&D tax credit is about jobs because more than 75 percent of the credit dollars are used for wages of employees engaged in research and development,” Engler said. Manufacturers claim about 70 percent of all R&D Credits.

“As many competitor nations understand, innovation results in spillover benefits to workers in terms of higher wages and societal benefits of a higher standard of living,” he said. “In the fierce global race for R&D investment dollars, the credit helps keep world class innovators and innovations in the United States.

“We commend lawmakers Levin and Camp for introducing this bill to advance America’s innovative manufacturers,” he said. “The bipartisan support for this legislation shows a strong commitment to advancing U.S.-based R&D.”

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*The National Association of Manufacturers is the nation’s largest industrial trade association, representing small and large manufacturers in every industrial sector and in all 50 states. Headquartered in Washington, D.C., the NAM has 11 additional offices across the country. Visit the NAM’s award-winning web site at [www.nam.org](http://www.nam.org) for more information about manufacturing and the economy.*