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### **Tech Industry Calls on Lame Duck Congress to Pass R&D Tax Credit**

**Arlington, VA** – The Information Technology Association of America (ITAA) today urged Congress to pass a strengthened research and development tax credit during the post-election lame duck session, calling it a credibility issue for Congress and a jobs issue for America.

“We implore Congress to pass a strengthened research and development credit before adjourning the 109<sup>th</sup> Congress — this must not wait until January,” said ITAA President and CEO Phil Bond. “If companies cannot reliably plan their research and development on our shores, they will be forced to look elsewhere. This is a chance for both parties to prove to the American people that they can work together to keep America competitive. The credit is critical to innovation, and innovation means jobs for America.”

The credit helps nearly 16,000 companies in IT and other industries to increase investment and research done in the United States by providing a break on R&D spending. Many technology companies factor this tax credit into their plans to conduct research and development in the United States.

Those companies were left in a lurch last December when Congress allowed the credit to lapse. Congress then adjourned for elections in September without passing the credit, despite repeated calls by industry and the Administration to do so.

For 11 months, technology firms and other U.S. businesses have been unable to assume the credit in forecasting project costs or reporting financial results. Costs have increased for both future R&D projects and activities already underway, leaving executives to decide if some research and development should be delayed or conducted abroad.

Founded in 1961 as the Association of Data Processing Services Organizations (ADAPSO), the Information Technology Association of America (ITAA) provides global public policy, business networking, and national leadership to promote the continued rapid growth of the IT industry. ITAA consists of approximately 325 corporate members throughout the U.S., and is secretariat of the World Information Technology and Services Alliance, a global network of 67 countries' IT associations. The Association plays the leading role in issues of IT industry concern including information security, taxes and finance policy, digital intellectual property protection, telecommunications competition,

workforce and education, immigration, online privacy and consumer protection, government IT procurement, human resources and e-commerce policy. ITAA members range from the smallest IT start-ups to industry leaders in the Internet, software, IT services, digital content, systems integration, telecommunications, and enterprise solution fields. For more information visit [www.ita.org](http://www.ita.org).