

117TH CONGRESS
2D SESSION

H. R. 7505

To amend the Internal Revenue Code of 1986 to add a new medical research component to the credit for increasing research activities.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2022

Mr. BUCHANAN (for himself and Mr. KELLY of Pennsylvania) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to add a new medical research component to the credit for increasing research activities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. NEW MEDICAL RESEARCH EXPENDITURE COM-**
4 **PONENT OF CREDIT FOR INCREASING RE-**
5 **SEARCH ACTIVITIES.**

6 (a) IN GENERAL.—Section 41(a) of the Internal Rev-
7 enue Code of 1986 is amended by striking “and” at the
8 end of paragraph (2), by striking the period at the end
9 of paragraph (3) and inserting “, and”, and by adding
10 at the end the following new paragraph:

1 “(4) 14 percent of specified medical research
2 expenditures.”.

3 (b) SPECIFIED MEDICAL RESEARCH EXPENDI-
4 TURES.—Section 41(f) of such Code is amended by adding
5 at the end the following new paragraph:

6 “(7) SPECIFIED MEDICAL RESEARCH EXPENDI-
7 TURES.—

8 “(A) IN GENERAL.—The term ‘specified
9 medical research expenditures’ means amounts
10 paid or incurred for qualified research with re-
11 spect to any qualified countermeasure.

12 “(B) QUALIFIED COUNTERMEASURE.—The
13 term ‘qualified countermeasure’ has the mean-
14 ing given to such term in section 319F–1(a)(2)
15 of the Public Health Service Act (42 U.S.C.
16 247d–6a(a)(2)).”.

17 (c) DENIAL OF DOUBLE BENEFIT.—

18 (1) TAXABLE YEARS BEGINNING BEFORE JANU-
19 ARY 1, 2022.—In the case of specified medical re-
20 search expenditures (as defined in section 41(f)(7)
21 of such Code (as added by this section)) paid or in-
22 curred in taxable years beginning before January 1,
23 2022—

24 (A) such expenditures shall be treated in
25 the same manner as qualified research expenses

1 and basic research expenses under section
2 280C(c)(1) of such Code (as in effect on the
3 day before the enactment of the Tax Cuts and
4 Jobs Act), and

5 (B) the amount determined under section
6 280C(c)(2)(A) (as in effect on such day) for the
7 taxable year shall be increased by the amount
8 of credit determined for the taxable year under
9 section 41(a)(4) (as added by this section).

10 (2) TAXABLE YEARS BEGINNING AFTER DECEMBER
11 31, 2021.—Section 280C(c)(1) of such Code is
12 amended by striking “section 41(a)(1)” and insert-
13 ing “paragraphs (1) and (4) of section 41(a)”.

14 (d) CONFORMING AMENDMENT.—Section 41(f)(1) of
15 such Code is amended by striking “and amounts paid or
16 incurred to energy research consortiums” each place it ap-
17 pears and inserting “, amounts paid or incurred to energy
18 research consortiums, and specified medical research ex-
19 penditures”.

20 (e) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to amounts paid or incurred after
22 the date of the enactment of this Act, in taxable years
23 ending after such date.

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