

112TH CONGRESS  
1ST SESSION

# H. R. 1773

To amend the Internal Revenue Code of 1986 to make the research credit permanent, increase expensing for small businesses, reduce corporate tax rates, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2011

Mr. GERLACH (for himself and Mr. KISSELL) 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 make the research credit permanent, increase expensing for small businesses, reduce corporate tax rates, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “Made in America Act  
5 of 2011”.

1 **SEC. 2. RESEARCH CREDIT MADE PERMANENT.**

2 (a) IN GENERAL.—Section 41 of the Internal Rev-  
3 enue Code of 1986 (relating to credit for increasing re-  
4 search activities) is amended by striking subsection (h).

5 (b) CONFORMING AMENDMENT.—Paragraph (1) of  
6 section 45C(b) of such Code is amended by striking sub-  
7 paragraph (D).

8 (c) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to amounts paid or incurred after  
10 December 31, 2010, and to taxable years beginning after  
11 such date.

12 **SEC. 3. INCREASE IN RATE OF ALTERNATIVE SIMPLIFIED**  
13 **CREDIT.**

14 (a) IN GENERAL.—Subparagraph (A) of section  
15 41(c)(5) of the Internal Revenue Code of 1986 (relating  
16 to election of alternative simplified credit) is amended by  
17 striking “14 percent (12 percent in the case of taxable  
18 years ending before January 1, 2009)” and inserting “20  
19 percent”.

20 (b) EFFECTIVE DATE.—The amendment made by  
21 this section shall apply to taxable years ending after De-  
22 cember 31, 2010.

23 **SEC. 4. REPEAL THE ALTERNATIVE INCREMENTAL CREDIT.**

24 (a) IN GENERAL.—Section 41(c) of the Internal Rev-  
25 enue Code of 1986, as amended by section 3, is amended  
26 by striking paragraph (4) and by redesignating para-

1 graphs (5), (6), and (7) as paragraphs (4), (5), and (6),  
2 respectively.

3 (b) CONFORMING AMENDMENT.—Section  
4 41(c)(4)(C) of such Code, as redesignated by subsection  
5 (a), is amended by striking the last sentence.

6 (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to taxable years beginning after  
8 December 31, 2010.

9 **SEC. 5. INCREASED SECTION 179 EXPENSING MADE PERMA-**  
10 **NENT.**

11 (a) DOLLAR LIMITATION.—Paragraph (1) of section  
12 179(b) of the Internal Revenue Code of 1986 is amended  
13 by striking “shall not exceed—” and all that follows and  
14 inserting “shall not exceed \$250,000 (\$500,000 in the  
15 case of taxable years beginning in 2010 or 2011).”.

16 (b) PHASEOUT THRESHOLD.—Paragraph (2) of sec-  
17 tion 179(b) of such Code is amended by striking “ex-  
18 ceeds—” and all that follows and inserting “exceeds  
19 \$800,000 (\$2,000,000 in the case of taxable years begin-  
20 ning in 2010 or 2011).”.

21 (c) CONFORMING AMENDMENTS.—Subparagraph (A)  
22 of section 179(b)(6) of such Code is amended—

23 (1) by striking “beginning in calendar year  
24 2012, the \$125,000 and \$500,000 amounts” and in-

1       serting “beginning in a calendar year after 2011,  
2       the \$250,000 and \$800,000 amounts”, and

3               (2) by striking “calendar year 2006” and in-  
4       serting “calendar year 2007”.

5       (d) **EFFECTIVE DATE.**—The amendments made by  
6 this section shall apply to taxable years beginning after  
7 December 31, 2010.

8 **SEC. 6. REDUCTION IN TOP CORPORATE MARGINAL RATE.**

9       (a) **IN GENERAL.**—Paragraph (1) of section 11(b) of  
10 the Internal Revenue Code of 1986 (relating to amount  
11 of tax) is amended—

12               (1) by inserting “and” at the end of subpara-  
13       graph (B),

14               (2) by striking subparagraphs (C) and (D) and  
15       inserting the following:

16                       “(C) 30 percent of so much of the taxable  
17       income as exceeds \$75,000.”, and

18               (3) by striking “\$11,750” and all that follows  
19       and inserting “\$9,125.”

20       (b) **PERSONAL SERVICE CORPORATIONS.**—Para-  
21 graph (2) of section 11(b) of such Code is amended by  
22 striking “35 percent” and inserting “30 percent”.

23       (c) **CONFORMING AMENDMENTS.**—Paragraphs (1)  
24 and (2) of section 1445(e) of such Code are each amended  
25 by striking “35 percent” and inserting “30 percent”.

1 (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2010, except that the amendments made  
4 by subsection (c) shall take effect on the date of the enact-  
5 ment of this Act.

6 **SEC. 7. STUDIES.**

7 (a) WORKPLACE EMPLOYEE HEALTH CARE FACILI-  
8 TIES.—The Comptroller General of the United States  
9 shall conduct a study of the impact of workplace employee  
10 health care facilities on employee health and productivity.  
11 The results of such study shall be submitted to the Con-  
12 gress within 1 year after the date of the enactment of this  
13 Act.

14 (b) RETENTION OF STUDENTS IN RURAL COMMU-  
15 NITIES.—The Comptroller General of the United States  
16 shall conduct a study of the best practices for encouraging  
17 college graduates from rural areas to return to those areas  
18 after graduation. The results of such study shall be sub-  
19 mitted to the Congress within 1 year after the date of the  
20 enactment of this Act.

○