

112TH CONGRESS
1ST SESSION

S. 155

To amend the Internal Revenue Code of 1986 to provide an enhanced credit for research and development by companies that manufacture products in the United States.

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 5), 2011

Mr. KOHL introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide an enhanced credit for research and development by companies that manufacture products in the United States.

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 “Domestic Jobs Innova-
5 tion Bonus Act”.

1 **SEC. 2. ENHANCED RESEARCH CREDIT FOR DOMESTIC**
 2 **MANUFACTURERS.**

3 (a) IN GENERAL.—Section 41 of the Internal Rev-
 4 enue Code of 1986 is amended by adding at the end the
 5 following new subsection:

6 “(i) ENHANCED CREDIT FOR DOMESTIC MANUFAC-
 7 TURERS.—

8 “(1) IN GENERAL.—In the case of a qualified
 9 domestic manufacturer, this section shall be applied
 10 by increasing the following by the bonus amount:

11 “(A) The 20 percent amount under sub-
 12 section (a)(1).

13 “(B) The 20 percent amount under sub-
 14 section (a)(2).

15 “(C) The 20 percent amount under sub-
 16 section (a)(3).

17 “(D) The 14 percent amount under sub-
 18 section (c)(5)(A).

19 “(2) QUALIFIED DOMESTIC MANUFACTURER.—
 20 For purposes of this subsection—

21 “(A) IN GENERAL.—The term ‘qualified
 22 domestic manufacturer’ means a taxpayer who
 23 has domestic production gross receipts which
 24 are more than 50 percent of total production
 25 gross receipts.

1 “(B) DOMESTIC PRODUCTION GROSS RE-
2 RECEIPTS.—The term ‘domestic production gross
3 receipts’ has the meaning given to such term
4 under section 199(c)(4).

5 “(C) TOTAL PRODUCTION GROSS RE-
6 CEIPTS.—The term ‘total production gross re-
7 cepts’ means the gross receipts of the taxpayer
8 which are described in section 199(c)(4), deter-
9 mined—

10 “(i) without regard to whether prop-
11 erty described in subparagraph (A)(i)(I) or
12 (A)(i)(III) thereof was manufactured, pro-
13 duced, grown, or extracted in the United
14 States,

15 “(ii) by substituting ‘any property de-
16 scribed in section 168(f)(3)’ for ‘any quali-
17 fied film’ in subparagraph (A)(i)(II) there-
18 of, and

19 “(iii) without regard to whether any
20 construction described in subparagraph
21 (A)(ii) thereof or services described in sub-
22 paragraph (A)(iii) thereof were performed
23 in the United States.

1 “(3) BONUS AMOUNT.—For purposes of para-
2 graph (1), the bonus amount shall be determined as
3 follows:

“If the percentage of total production gross receipts which are domestic production gross receipts is:

	The bonus amount is:
More than 50 percent and not more than 60 per- cent.	2 percentage points
More than 60 percent and not more than 70 per- cent.	4 percentage points
More than 70 percent and not more than 80 per- cent.	6 percentage points
More than 80 percent and not more than 90 per- cent.	8 percentage points
More than 90 percent	10 percentage points.”.

4 (b) EFFECTIVE DATE.—The amendment made by
5 this section shall apply to expenditures paid or incurred
6 in taxable years beginning after the date of the enactment
7 of this Act.

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