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**COALITION URGES CONGRESS
TO EXTEND AND STRENGTHEN THE R&D CREDIT NOW**

WASHINGTON, D.C., July 25, 2006 – The R&D Credit Coalition, an organization representing thousands of businesses engaged in U.S.-based research and development activities, today released the following statement.

Reports that House and Senate pension conferees are considering eliminating an extension of the R&D tax credit and other expired tax provisions from the pending conference agreement are extremely troubling. This important tax incentive expired seven months ago. As it languishes American companies endure a tax increase as their costs of doing critical research and development in the United States rise. President Bush stressed the importance of the R&D credit in his State of the Union Address and members of both the House and Senate repeatedly have endorsed the credit as a valuable tool in fostering U.S.-based technology and innovation. The time is now for Congress to extend and strengthen the R&D tax credit before adjourning for the August recess.

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