

December 22, 2008

Mr. Jason Furman
Office of the President-Elect
451 Sixth Street, NW
Washington, DC 20004

Dear Mr. Furman:

On behalf of the R&D Credit Coalition, we encourage the incoming Administration to include a strengthened R&D tax credit in its economic recovery package that will be considered in the opening days of the 111th Congress. The R&D Credit Coalition is a group of more than 100 trade and professional associations and their small, medium and large member companies that collectively represent millions of American workers engaged in U.S.-based research across all major sectors of the U.S. economy.

We were gratified that President-elect Obama campaigned on a pledge to make the R&D tax credit permanent. We share the incoming President's goal to permanently extend the credit and pledge to work with his Administration to achieve that goal. A vibrant R&D tax credit will help ensure that the United States remains a world leader in R&D – a vital engine for our nation's continued economic growth, competitiveness and prosperity.

We realize that the immediate challenge confronting the incoming Obama administration and the new Congress will be to craft an economic recovery package that will revive our troubled economy, repair the fractured credit markets and create millions of new jobs. Including an extension of the R&D tax credit – with an increase in the alternative simplified credit (ASC) rate from 14 percent to 20 percent – would help to achieve those goals. This increase would encourage companies to fund additional U.S. research projects, and the high-paying research jobs they entail, that, without this additional support, are just too risky in the current economic environment. The R&D tax credit is targeted primarily at encouraging additional U. S. research jobs so it is well aligned with a primary objective of the recovery package. Not only would a

www.investinamericasfuture.org


1331 Pennsylvania Avenue, NW • Washington, DC 20004-1790 • (202) 637-3076


Mr. Jason Furman
December 22, 2008
Page Two

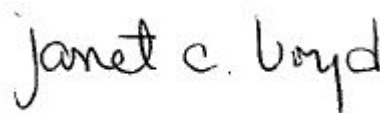
strengthened, permanent credit stimulate the economy in the short-term, it would offer long-term economic benefits for our nation from the additional cutting-edge research.

The R&D Credit Coalition looks forward to working with President-elect Obama and the 111th Congress to craft an economic recovery measure that includes an enhanced R&D tax credit that contributes to the creation of new jobs and creates the innovative new technologies and products of the 21st century.

Sincerely,


Bill Sample
Microsoft Corporation
Chair, R&D Credit Coalition

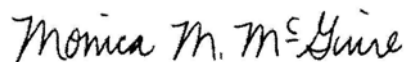

Donna Siss Gleason
The Boeing Company
Vice Chair, R&D Credit Coalition



Janet C. Boyd
The Dow Chemical Company
Cochair, R&D Credit Coalition,
Government Affairs Committee



Karen Myers
CA
Cochair, R&D Credit Coalition,
Government Affairs Committee



Monica M. McGuire
National Association of Manufacturers
Executive Secretary, R&D Credit Coalition