

**Congress of the United States**  
**Washington, DC 20515**

August 3, 2007

The Honorable Nancy Pelosi  
Speaker  
The Capitol, H-232  
Washington, D.C. 20515

The Honorable Steny Hoyer  
Majority Leader  
The Capitol, H-107  
Washington, D.C. 20515

Dear Madame Speaker and Majority Leader:

We are writing to urge you to bring before the House legislation to extend and improve the research and development (R&D) tax credit. With the December 31, 2007, expiration date approaching, we believe it is imperative for the Congress to act quickly to extend and strengthen this important tax credit for as long a period as possible.

As New Democrats, always leaders on the economy and innovation, we are committed to enacting policies that maintain U.S. competitiveness. The talent, intellect, and entrepreneurial spirit of the American people have made our country the world leader in economic and technological advancements. Extending and improving the R&D tax credit is imperative to maintaining this tradition.

As you know, only those costs associated with research performed in the United States are eligible for the credit, and the majority of the expenses claimed are for wages paid to U.S. employees. The R&D credit has proven to be an effective means of encouraging companies to increase their U.S.-based research activities and to keep high-skilled jobs in the United States. Allowing the credit to expire would be extremely disruptive to companies currently undertaking or planning to implement costly, long-term research projects and to the American scientists and researchers who have always been at the forefront of the world's leading technologies.

We pledge to work with you and Chairman Rangel in expediting consideration of this important legislation.

Sincerely,



ELLEN TAUSCHER  
Member of Congress

RON KIND  
Member of Congress



ARTUR DAVIS  
Member of Congress



JOSEPH CROWLEY  
Member of Congress



ADAM SMITH  
Member of Congress



BRIAN HIGGINS  
Member of Congress



TIM MAHONEY  
Member of Congress



JOHN LARSON  
Member of Congress



CHARLES GONZALEZ  
Member of Congress



JOE COURTNEY  
Member of Congress



ED PERLMUTTER  
Member of Congress



BRUCE BRALEY  
Member of Congress



JANE HARMAN  
Member of Congress



JASON ALTMIRE  
Member of Congress



GABRIELLE GIFFORDS  
Member of Congress



RICK LARSEN  
Member of Congress



MELISSA BEAN  
Member of Congress



JOE SESTAK  
Member of Congress



TOM UDALL  
Member of Congress



ALYSSON SCHWARTZ  
Member of Congress



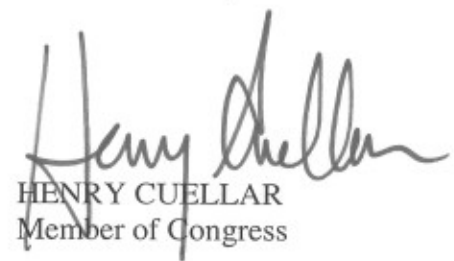
LOIS CAPPS  
Member of Congress



BOB ETHERIDGE  
Member of Congress



ADAM SCHIFF  
Member of Congress



HENRY CUELLAR  
Member of Congress



RUSH HOLT  
Member of Congress



DAVID PRICE  
Member of Congress



VIC SNYDER  
Member of Congress



CAROLYN McCARTHY  
Member of Congress



ELIOT ENGEL  
Member of Congress

Cc: The Honorable Charles Rangel  
Chairman  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515