Plastics Industry Lauds R&D Tax Credit Extension

The Plastics Industry Trade Association
WASHINGTON - SPI: The Plastics Industry Trade Association supports the U.S. House of Representative's decision to permanently extend the research and development (R&D) tax credit. In a 274 to 131 bipartisan vote, the House today passed H.R. 4438, the "American Research and Competitiveness Act of 2014," cosponsored by Rep. Kevin Brady (R-Texas) and Rep. John Larson (D-Conn.). The tax credit expired Dec. 31, 2013.

"SPI is encouraged that a bipartisan majority in the House supports a tax policy that helps the plastics manufacturing industry compete in a global economy. The tax credit is largely a jobs credit—70 percent of credit dollars are used to pay the salaries of highly skilled R&D workers in the U.S.," said SPI President and CEO William R. Carteaux. "A robust and permanent research and development tax credit is critical to the plastics manufacturing industry's competitiveness, innovation and job creation."

U.S. Rep. Dave Camp (R-Mich.), chairman of the House Ways and Means Committee, said the Joint Committee on Taxation estimates that a permanent R&D credit could potentially translate to a 10 percent increase in research and development among American companies. A permanent tax credit would provide businesses with the certainty necessary to hire additional staff, increase salaries and invest in innovation, Camp's office said in a statement.

SPI urges the Senate to act quickly to extend the R&D tax credit and for President Obama to sign the measure giving plastics industry manufacturers immediate certainty in making R&D decisions.

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