

S 2715

COMPETE Act of 2014

Congress: 113 (2013–2015, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Jul 31, 2014

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Jul 31, 2014)

Official Text: <https://www.congress.gov/bill/113th-congress/senate-bill/2715>

Sponsor

Name: Sen. Carper, Thomas R. [D-DE]

Party: Democratic • **State:** DE • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jul 31, 2014

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
113 HR 4855	Related bill	Jun 12, 2014: Referred to the House Committee on Ways and Means.
113 S 2139	Related bill	Mar 13, 2014: Read twice and referred to the Committee on Finance.

Competitiveness and Opportunity by Modernizing and Permanently Extending the Tax Credit for Experimentation Act of 2014 or the COMPETE Act of 2014 - Amends the Internal Revenue Code, with respect to the tax credit for research expenditures, to: (1) increase the rate of such credit to 25% of so much of the taxpayer's qualified research expenses in a taxable year as exceeds 50% of the average expenses for the three preceding taxable years; (2) allow such credit for the basic research expenditures of educational institutions, scientific research organizations, and certain grant organizations; (3) allow an increased 35% credit for highly innovative research expenses (defined as research expenses for the creation of a qualified new product category or product technology that represents a significant improvement over previously existing product technology); and (4) make such tax credit, as revised by this Act, permanent.

Exempts from the definition of "passive activity," for purposes of the passive loss tax rules, any qualified research activity carried on by a high technology research small business pass-thru entity. Defines "high technology research small business pass-thru entity" as any domestic pass-thru entity if: (1) more than 75% of the entity's expenditures are paid or incurred in connection with qualified research, or (2) more than 50% of the entity's expenditures constitute qualified research expenses. Designates a high technology research entity as a small business if it has 250 or fewer full-time employees and does not have aggregate gross assets in excess of \$150 million.

Allows tax-exempt financing of research park facilities (facilities used in connection with research and experimentation that are located on the same site and funded with not more than 25% of the net proceeds of the bond issue).

Actions Timeline

- **Jul 31, 2014:** Introduced in Senate
- **Jul 31, 2014:** Read twice and referred to the Committee on Finance.