

## S 537

### COMPETE Act of 2015

**Congress:** 114 (2015–2017, Ended)

**Chamber:** Senate

**Policy Area:** Taxation

**Introduced:** Feb 24, 2015

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

**Latest Action:** Read twice and referred to the Committee on Finance. (Feb 24, 2015)

**Official Text:** <https://www.congress.gov/bill/114th-congress/senate-bill/537>

### Sponsor

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

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

### Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Toomey, Patrick [R-PA]	R · PA		Feb 24, 2015

### Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Feb 24, 2015

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

Bill	Relationship	Last Action
114 HR 2179	Related bill	Apr 30, 2015: Referred to the House Committee on Ways and Means.

**Competitiveness and Opportunity by Modernizing and Permanently Extending the Tax Credit for Experimentation Act of 2015 or the COMPETE Act of 2015**

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; and (3) 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**

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