

110TH CONGRESS
1ST SESSION

H. R. 2133

To provide support for small business concerns, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 3, 2007

Mr. ALLEN (for himself, Mr. McHUGH, Mr. PATRICK J. MURPHY of Pennsylvania, and Ms. EDDIE BERNICE JOHNSON of Texas) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Small Business and Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide support for small business concerns, and for
other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be referred to as the “Small Business
5 Investment and Promotion Act of 2007”.

1 **SEC. 2. TEMPORARY CREDIT AGAINST INCOME TAX FOR**
 2 **SMALL BUSINESSES, FARMERS, AND FISHER-**
 3 **MEN TO OFFSET HIGH FUEL COSTS.**

4 (a) IN GENERAL.—Subpart D of part IV of sub-
 5 chapter A of chapter 1 of the Internal Revenue Code of
 6 1986 (relating to business-related credits) is amended by
 7 inserting after section 45N the following new section:

8 **“SEC. 45O. TEMPORARY CREDIT FOR SMALL BUSINESSES,**
 9 **FARMERS, AND FISHERMEN TO OFFSET HIGH**
 10 **FUEL COSTS.**

11 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
 12 gible taxpayer, the excessive fuel cost credit determined
 13 under this section is an amount equal to the excessive fuel
 14 cost paid or incurred by the taxpayer during the taxable
 15 year for any creditable fuel used in any trade or business
 16 of the taxpayer.

17 “(b) EXCESSIVE FUEL COST.—For purposes of this
 18 section—

19 “(1) IN GENERAL.—The term ‘excessive fuel
 20 cost’ means, with respect to any creditable fuel, the
 21 excess (if any) of—

22 “(A) the amount paid or incurred by the
 23 taxpayer for such fuel, over

24 “(B) the adjusted base price for such fuel.

25 “(2) ADJUSTED BASE PRICE.—

1 “(A) IN GENERAL.—The term ‘adjusted
2 base price’ means, with respect to any cred-
3 itable fuel, the amount determined by the Sec-
4 retary to be the applicable Labor Day 2004
5 price for such fuel adjusted for inflation.

6 “(B) APPLICABLE PRICE.—The applicable
7 Labor Day 2004 price for any fuel is the aver-
8 age price for such fuel for the region in which
9 the taxpayer purchased such fuel (as deter-
10 mined using data of the Energy Information
11 Agency of the Department of Energy).

12 “(C) INFLATION ADJUSTMENT.—The infla-
13 tion adjustment shall be determined under the
14 principles of section 1(f); except that, the Sec-
15 retary shall use estimates of the monthly Con-
16 sumer Price Index (as defined in such section)
17 where possible to more closely reflect current
18 inflation.

19 “(c) ELIGIBLE TAXPAYER.—For purposes of this sec-
20 tion—

21 “(1) IN GENERAL.—The term ‘eligible taxpayer’
22 means any person engaged in a trade or business
23 if—

24 “(A) such trade or business is—

1 “(i) a farming business (as defined in
2 section 263A(e)(4)), or

3 “(ii) commercial fishing (as defined in
4 section 3 of the Magnuson-Stevens Fishery
5 Conservation and Management Act (16
6 U.S.C. 1802)), or

7 “(B) such person is a small business.

8 “(2) SMALL BUSINESS.—The term ‘small busi-
9 ness’ means a trade or business that employs an an-
10 nual average of not more than 50 employees.

11 “(3) CREDITABLE FUEL.—The term ‘creditable
12 fuel’ means—

13 “(A) gasoline,

14 “(B) diesel fuel,

15 “(C) heating oil, and

16 “(D) natural gas.

17 “(d) ADJUSTMENT OF STANDARD MILEAGE RATE.—

18 An eligible taxpayer may elect, in lieu of the credit under
19 this section, a standard mileage allowance under section
20 162 equal to 60 cents for each mile traveled during the
21 period described in subsection (e). The Secretary shall
22 modify the standard mileage rate under the preceding sen-
23 tence to the extent that 60 cents does not accurately re-
24 flect that value of the credit under this section.

1 “(e) APPLICATION OF SECTION.—This section shall
2 apply to fuels purchased during the 2-year period begin-
3 ning on the date of the enactment of this section.”.

4 (b) CREDIT TO BE PART OF GENERAL BUSINESS
5 CREDIT.—Subsection (b) of section 38 of such Code is
6 amended by striking “plus” at the end of paragraph (30),
7 by striking the period at the end of paragraph (31) and
8 inserting “, plus”, and by adding at the end the following
9 new paragraph:

10 “(32) in the case of an eligible taxpayer (as de-
11 fined in section 45O(c)), the excessive fuel cost cred-
12 it determined under section 45O(a).”.

13 (c) CLERICAL AMENDMENT.—The table of sections
14 for subpart D of part IV of subchapter A of chapter 1
15 of such Code is amended by inserting after the item relat-
16 ing to section 45N the following new item:

“Sec. 45O. Temporary credit for small businesses, farmers, and fishermen to
offset high fuel costs”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years ending after the
19 date of the enactment of this Act.

20 **SEC. 3. PERMANENT EXTENSION OF RESEARCH CREDIT.**

21 (a) IN GENERAL.—Section 41 of the Internal Rev-
22 enue Code of 1986 (relating to credit for increasing re-
23 search activities) is amended by striking subsection (h).

1 (b) CONFORMING AMENDMENT.—Paragraph (1) of
 2 section 45C(b) of such Code is amended by striking sub-
 3 paragraph (D).

4 (c) EFFECTIVE DATE.—The amendments made by
 5 this section shall apply to amounts paid or incurred after
 6 the date of the enactment of this Act.

7 **SEC. 4. TREATMENT OF QUALIFIED RESTAURANT PROP-**
 8 **ERTY, QUALIFIED RETAIL IMPROVEMENT**
 9 **PROPERTY, AND CERTAIN SYSTEMS IN-**
 10 **STALLED IN NONRESIDENTIAL BUILDINGS AS**
 11 **15-YEAR PROPERTY FOR PURPOSES OF DE-**
 12 **PRECIATION DEDUCTION.**

13 (a) QUALIFIED RESTAURANT PROPERTY.—Clause
 14 (v) of section 168(e)(3)(E) of the Internal Revenue Code
 15 of 1986 (defining 15-year property) is amended by strik-
 16 ing “placed in service before January 1, 2008”.

17 (b) QUALIFIED RETAIL IMPROVEMENT PROPERTY
 18 AND CERTAIN SYSTEMS INSTALLED IN NONRESIDENTIAL
 19 BUILDINGS.—

20 (1) 15-YEAR RECOVERY PERIOD.—Subpara-
 21 graph (E) of section 168(e)(3) of the Internal Rev-
 22 enue Code of 1986 (relating to 15-year property) is
 23 amended by striking “and” at the end of clause
 24 (vii), by striking the period at the end of clause (viii)

and inserting a comma, and by adding at the end
the following new clauses:

“(ix) any qualified retail improvement
property, and

“(x) any property—

“(I) which is part of a heating,
ventilation, air conditioning, or com-
mercial refrigeration system,

“(II) which is installed on or in
a building which is nonresidential real
property, and

“(III) the original use of which
commences with the taxpayer.”.

(2) DEFINITION.—Section 168(e) of such Code
(relating to classification of property) is amended by
adding at the end the following new paragraph:

“(8) QUALIFIED RETAIL IMPROVEMENT PROP-
ERTY.—

“(A) IN GENERAL.—The term ‘qualified
retail improvement property’ means any im-
provement to an interior portion of a building
which is nonresidential real property if—

“(i) such portion is open to the gen-
eral public,

1 “(ii) such portion is used by a trade
 2 or business that sells tangible personal
 3 property or services to the general public,

4 “(iii) such trade or business employs
 5 an annual average of not more than 50
 6 employees, and

7 “(iv) such improvement is placed in
 8 service more than 3 years after the date
 9 the building was first placed in service.

10 “(B) CERTAIN IMPROVEMENTS NOT IN-
 11 CLUDED.—Such term shall not include any im-
 12 provement for which the expenditure is attrib-
 13 utable to—

14 “(i) the enlargement of the building,

15 “(ii) any elevator or escalator, or

16 “(iii) the internal structural frame-
 17 work of the building.”.

18 (3) REQUIREMENT TO USE STRAIGHT LINE
 19 METHOD.—Paragraph (3) of section 168(b) of such
 20 Code (relating to applicable depreciation method) is
 21 amended by adding at the end the following new
 22 subparagraphs:

23 “(I) Qualified retail improvement property
 24 described in subsection (e)(8).

1 “(J) Property described in subsection
2 (e)(3)(E)(x).”.

3 (4) ALTERNATIVE SYSTEM.—The table con-
4 tained in section 168(g)(3)(B) of such Code (relat-
5 ing to special rule for certain property assigned to
6 classes) is amended by inserting after the item relat-
7 ing to subparagraph (E)(viii) the following new
8 items:

“(E)(ix)	39
(E)(x)	25”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to property placed in service after
11 the date of the enactment of this Act.

12 **SEC. 5. AUTHORIZATIONS.**

13 (a) ADVANCED TECHNOLOGY PROGRAM.—There are
14 authorized to be appropriated to the Secretary of Com-
15 merce for the Advanced Technology Program under sec-
16 tion 28 of the National Institute of Standards and Tech-
17 nology Act (15 U.S.C. 278n) \$145,000,000 for fiscal year
18 2008 and \$150,000,000 for fiscal year 2009.

19 (b) SCORE.—There are authorized to be appro-
20 priated for the Service Corps of Retired Executives
21 (SCORE) under section 8(b)(1)(B) of the Small Business
22 Act (15 U.S.C. 637(b)(1)(B) \$8,000,000 for fiscal year
23 2008 and \$8,500,000 for fiscal year 2009.

1 (c) SMALL BUSINESS DEVELOPMENT CENTERS.—

2 There are authorized to be appropriated for small business
3 development centers under section 21 of the Small Busi-
4 ness Act (15 U.S.C. 648) \$140,000,000 fiscal year 2008
5 and \$142,500,000 for fiscal year 2009.

6 (d) MANUFACTURING EXTENSION PARTNERSHIP.—

7 There are authorized to be appropriated to the Secretary
8 of Commerce for the Manufacturing Extension Partner-
9 ship program under sections 25 and 26 of the National
10 Institute of Standards and Technology Act (15 U.S.C.
11 278k and 278l) \$120,000,000 for fiscal year 2008 and
12 \$125,000,000 for fiscal year 2009.

13 (e) WOMEN’S BUSINESS CENTERS.—There are au-
14 thorized to be appropriated for the Women’s Business
15 Center Program under section 29 of the Small Business
16 Act (15 U.S.C. 656) \$15,500,000 for fiscal year 2008 and
17 \$16,000,000 for fiscal year 2009.

18 **SEC. 6. SENSE OF CONGRESS ON FUNDING FOR SMALL**

19 **BUSINESS PROGRAMS.**

20 (a) FUNDING FOR 7(a) LOAN PROGRAM.—It is the
21 sense of Congress that Congress should appropriate
22 \$79,000,000 for offsetting the cost of borrowers partici-
23 pating in the loan program under section 7(a) of the Small
24 Business Act (15 U.S.C. 636(a)).

1 (b) FUNDING FOR OTHER PROGRAMS.—It is the
2 sense of Congress that Congress should appropriate funds
3 for the Advanced Technology Program, the Service Corps
4 of Retired Executives, the Small Business Development
5 Centers, the Manufacturing Extension Partnership, and
6 the Women’s Business Center Program at the levels au-
7 thorized under section 4 of this Act.

8 **SEC. 7. SMALL BUSINESS CONTRACTING GOAL.**

9 (a) APPLICATION TO CONTRACTS PERFORMED OVER-
10 SEAS.—Section 15(g)(1) of the Small Business Act (15
11 U.S.C.) is amended in the second sentence by inserting
12 “(including awards for contracts performed outside the
13 United States)” after “all prime contract awards”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 subsection (a) shall apply with respect to fiscal years be-
16 ginning after September 30, 2007.

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