

118TH CONGRESS
2D SESSION

H. R. 6979

To amend the Internal Revenue Code of 1986 to provide a credit to small businesses for research activities related to the mitigation of certain drug threats.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 2024

Mr. NEGUSE (for himself, Ms. DEAN of Pennsylvania, Mr. BACON, Mr. TRONE, Mr. LAWLER, and Mr. CISCOMANI) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a credit to small businesses for research activities related to the mitigation of certain drug threats.

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. CREDIT FOR RESEARCH ACTIVITIES OF SMALL**
4 **BUSINESSES RELATED TO THE MITIGATION**
5 **OF CERTAIN DRUG THREATS.**

6 (a) IN GENERAL.—Section 41(a) of the Internal Rev-
7 enue Code of 1986 is amended by striking “and” at the
8 end of paragraph (2), by striking the period at the end

1 of paragraph (3) and inserting “, and”, and by adding
2 at the end the following new paragraph:

3 “(4) in the case of a small business (as defined
4 in subsection (b)(3)(D)(iii)), 10 percent of the quali-
5 fied drug threat mitigation research expenses (as de-
6 fined in subsection (i)) for the taxable year.”.

7 (b) DEFINITIONS.—Section 41 of such Code is
8 amended by adding at the end the following new sub-
9 section:

10 “(i) QUALIFIED DRUG THREAT MITIGATION RE-
11 SEARCH EXPENSES.—For purposes of this section—

12 “(1) QUALIFIED DRUG THREAT MITIGATION RE-
13 SEARCH EXPENSES.—The term ‘qualified drug
14 threat mitigation research expenses’ means the
15 qualified research expenses which would be deter-
16 mined under subsection (b) if ‘qualified drug threat
17 mitigation research’ were substituted for ‘qualified
18 research’ each place it appears therein.

19 “(2) QUALIFIED DRUG THREAT MITIGATION RE-
20 SEARCH.—The term ‘qualified drug threat mitiga-
21 tion research’ means qualified research which is un-
22 dertaken for the purpose of discovering information
23 related to mitigating or treating the effects of the
24 use of a specified drug or to preventing, diverting,
25 or intervening in such use. Such term shall not in-

1 clude any clinical research unless such research com-
2 plies with the policies and guidelines of the National
3 Institutes of Health for clinical research.

4 “(3) SPECIFIED DRUG.—

5 “(A) IN GENERAL.—The term ‘specified
6 drug’ means any emerging drug, fentanyl,
7 fentanyl-related substance, or methamphet-
8 amine.

9 “(B) EMERGING DRUG.—The term ‘emerg-
10 ing drug’ means a drug designated as an
11 emerging drug threat under section 709(c) of
12 the Office of National Drug Control Policy Re-
13 authorization Act of 1998 (21 U.S.C. 1708(c)).
14 Such term shall include any such drug for any
15 taxable year if such designation is in effect
16 under such section at any time during such tax-
17 able year.

18 “(C) FENTANYL-RELATED SUBSTANCE.—

19 The term ‘fentanyl-related substance’ means
20 any substance that is structurally related to
21 fentanyl by 1 or more of the following modifica-
22 tions:

23 “(i) By replacement of the phenyl por-
24 tion of the phenethyl group by any mono-

1 cycle, whether or not further substituted in
2 or on the monocycle.

3 “(ii) By substitution in or on the
4 phenethyl group with alkyl, alkenyl,
5 alkoxy, hydroxyl, halo, haloalkyl, amino, or
6 nitro groups.

7 “(iii) By substitution in or on the pi-
8 peridine ring with alkyl, alkenyl, alkoxy,
9 ester, ether, hydroxyl, halo, haloalkyl,
10 amino, or nitro groups.

11 “(iv) By replacement of the aniline
12 ring with any aromatic monocycle whether
13 or not further substituted in or on the aro-
14 matic monocycle.

15 “(v) By replacement of the N-pro-
16 pionyl group with another acyl group.”

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

20 (d) GAO REPORT.—During the 60-day period begin-
21 ning on the date which 10 years after the date of the en-
22 actment of this Act, the Comptroller General shall submit
23 a written report to Congress regarding the amount of tax
24 credits allowed under section 41(a)(4) of the Internal Rev-
25 enue Code of 1986 for qualified drug threat mitigation

1 expenses and the types of qualified drug threat mitigation
2 research with respect to which such credits were allowed.
3 The Comptroller General shall ensure that the data in
4 such report is anonymous and that any studies undertaken
5 to prepare such report do not impede qualified drug threat
6 mitigation research.

○