



**American Entrepreneurs and Small Business Owners Support the Immediate
Expensing of R&D Investment**

June 13, 2025

The Honorable Mike Johnson
Speaker of the House
Washington, District of Columbia 20510

The Honorable John Thune
Majority Senate Leader
Washington, District of Columbia 20510

The Honorable Hakeem Jeffries
House Minority Leader
Washington, District of Columbia 20510

The Honorable Chuck Schumer
Senate Minority Leader
Washington, District of Columbia 20510

RE: American Entrepreneurs and Small Business Owners Support the Immediate
Expensing of R&D Investment

Dear Speaker Johnson, Majority Leader Thune, Minority Leader Jeffries, and Minority
Leader Schumer,

As small business owners and entrepreneurs fueling America's innovation economy, we—the undersigned companies—write to urge the immediate passage of the American Innovation and R&D Competitiveness Act of 2025 (H.R. 1990) and the American Innovation and Jobs Act (S.1639). Restoring immediate full expensing of research and development (R&D) investments is critical to our ability to grow, innovate, and create jobs here in the United States.

Since 1954, U.S. businesses have relied on the immediate deductibility of R&D expenses under Section 174 of the Internal Revenue Code. However, beginning in 2022, the budgetary changes introduced by the 2017 Tax Cuts and Jobs Act (TCJA) require businesses to amortize these expenses over five years. The shift has done short-term damage by significantly reducing cash flow at a time when access to capital is already limited and forcing many small business owners to seek loans to cover their increased tax bills to try and keep their businesses afloat. The long-term effects have also been profound, forcing many of us to make difficult decisions, delaying innovation, limiting hiring, and threatening our competitiveness in the global market. Many newer, smaller

companies simply lack the cash flow to amortize hundreds of thousands of dollars in R&D expenses over five years. Early-stage, high-growth software firms—often not yet profitable—are hit the hardest. The shift to five-year amortization deepens near-term losses, making attracting investors and securing financing even harder.

Small businesses are the backbone of U.S. tech innovation, and pro-business tax policies like tax deductions are critical to helping us stay competitive and adaptable in an ever-changing ecosystem. Meanwhile, international competitors—particularly China—are expanding R&D tax incentives.

If Congress does not act swiftly, the United States risks falling further behind. Restoring full expensing for R&D would allow small businesses like ours to reinvest in new products, expand operations, and drive economic growth and job creation.

This isn't just about tax policy—it's an innovation crisis. Small businesses are at a critical crossroads: risk falling behind or seize the opportunity to grow and lead. We applaud the bipartisan leadership in both the Senate and House for introducing the American Innovation and R&D Competitiveness Act of 2025 and the American Innovation and Jobs Act. As the Senate prepares to advance the One Big Beautiful Bill Act (H.R. 1), we urge lawmakers to ensure these provisions are included within the larger tax package. We also encourage leadership to provide retroactive relief for the tax years 2022-2024 and to restore permanent full expensing of R&D costs. These are critical provisions that empower small businesses to invest, innovate, and lead in a globally competitive economy. Thank you for your leadership.

Signed,

Small Software Business Alliance	DC
32 Biosciences	IL
365.Training	CO
3D Molecular Designs, LLC	WI
3Fates-Xray, Inc.	CA
4E Therapeutics	TX
5or7 Software, LLC	NH
Abington Speech Pathology Services	PA
AccuNovo Biotechnologies, Inc.	NC
Activate	TX
ADSAT Therapeutics	FL
Agilevent Corporation	NJ
Akku Energy Devices LLC	CO
AlphaThera, Inc.	PA
Amphix Bio	IL

Ananya Health	CA
Anuma Aerospace Corporation	NC
Applied Research Team Inc	CO
ARiA	VA
Assess and Progress, Inc.	CA
Astero Technologies LLC	TX
Atom Bioworks Inc	NC
AttractWell Studios LLC	ND
Audiohook Corporation	UT
Avid Solutions Intl	GA
Avoneaux Medical Institute	MD
AZIMUTH Design	MN
BACtrack	CA
BadVR, Inc.	CA
Barron Associates, Inc.	VA
BBC Entrepreneurial Training & Consulting	MI
BeamReaders Inc	WA
Bioptics Technology LLC	KY
Biotex, Inc.	TX
Blotout, Inc	Ca
BlueRISC Inc	MA
Bobcat of Gwinner	ND
BoldVoice	NY
Breiter Planet	MA
Cadet Affect	CO
Caliola Engineering	CO
Cardiost, Inc.	TX
Celdara Medical	NH
CHADIS, Inc.	MD
Citizens Bank	NY
Cleantech Industry Resources	VA
Clear Blue Design	LA
Co-Founder & CEO - Transmural Systems Companies	MA
CodeHS	IL
CoinTracker	CA
Colorado Technology Consultants	CO
Common Ground Electronics	CA
completionAI	MA
Compound Eye	CA
Concrete, LLC	WA

COnovate	WI
Convergent Science, Inc.	WI
Copeland Engineering, LLC	TX
Copenhill	GA
Coremax consulting	PA
Cosmusic LLC	MD
Counterpoint Consulting, Inc.	VA
CPA Connect, Inc	IL
Creative PMO	MD
Creator Works	CO
CU Aerospace, LLC	IL
CuBit Creative LLC	KS
Cumulus.care	VT
CytexOrtho	NC
Day care	NY
Decis Intelligence	DC
Defined Bioscience Inc	CA
Delta Media Group	OH, FL, GA, SC,
DeltaMath Solutions Inc	TX
Demergent Labs LLC	NY
DES Architects+Engineers	UT
DigiSavvy, Inc.	CA
Digital Space Studio, Inc.	CA
Dignify Therapeutics	GA
Discovery Machine	NC, PA, NC
DMSi Software	PA
Docsum	NE
Dogtown Media	NY
Draft Design Inc	CA
Draftsman Incorporated	IL
DrivenData, Inc	KY
ECR Software Corporation	CO
Edison Max	NC
Ember Technologies, LLC	NC
Emetric LLC	VA
Endeavor	TX
Epigen Biosciences	AL
Ergami Endoscopy, Inc	CA
erli.ai	NY
Espresso AI	MA
Excella	NY
Expo	VA

Expo (650 Industries, Inc.)	CA
Extend Biosciences	CA
F Square Medical LLC	MA
FaceView Mask LLC	FL
Fermi Energy, Inc	OR
Field propulsion Technologies	VA
Filljoy, Inc.	CO
Fintellect Inc.	CA
First Flight Venture Center, Inc.	WA
Flightware, Inc.	NC
FloraPulse	CT
Fool Me Oncle, LLC	CA
Fortified	NJ
FreeHumans, LLC	NC
FrostDefense Envirotech Inc.	WA
FTL Labs Corporation	IL
Function Therapeutics	MA
Gamma Force	WI
Gateway Biotechnology Inc	OH
GFF Design	NC
GLOBAL GREEN INITIATIVE	TX
GlobalForce Tech Consulting, LLC	MI
Glyphic Software, Inc.	MD
Greenlifetech Corp	VA
GROW Biomedicine LLC	NC
Gruntwork	CA
Gruthan Bioscience	CA
Harbor Technology Group	SC
Hawaii Fish Commpany Inc.	NJ
healthpass1	HI
HighMatch	NY
Homnick Systems Inc	GA
Honeybadger Industries LLC	FL
Hydro	WA
Hydro Service & Supplies, Inc	WA
Ideal Medical Technologies	NC
Ideanest LLC	NC
IN Space, LLC	CA
In Time Tec, LLC	IN
Industrial Microbes	ID
Infyrno LLC	CA
inLUCEO Biosciences, Inc.	UT

Insight Guide	MD
IntervalZero, Inc.	MD
iScreen 2 Prevent LLC	MA
jkrenewables	FL
JMad Creations, LLC.	PA
Julien Unger & Associates PLLC	PA
Justice Works, LLC	WA
K9 Security Inc.	UT
Karamedica, Inc.	AZ
Kathera Bioscience Inc	NY
KioskBuddy	NJ
Kitestring Technical Services	CA
Landscan, LLC	AR
Lanesborough LLC	CA
Large Scale Fab, Inc.	AZ
Lecten Bio, Inc.	CA
LED Radiofluidics Corp	GA
Lemmtec	NC
Lena Biosciences, Inc.	TN
Lenzner Research LLC	GA
LighTopTech Corp.	AZ
Linarc	NY
Ludlum Measurements, Inc.	CA
LumenAstra, Inc.	TX
Luna Labs USA	CO
LunarLab	VA
Mabswitch Inc	AL
MacrosFirst, Inc.	CA
MALCOVA Inc	CA
MapHabit, Inc.	CA
MATSYS, Inc.	GA
MemberSpace	VA
Menopausey	PA
Merchbro	CO
MONSTR Sense Technologies, LLC	CT
MoonClerk LLC	MI
MyCreativeShop	SC
Nalpeiron Inc	ND
NanoDiagnostic Technology LLC	CO
NC SBTDC	NC
Neurobehavioral Systems	NC
NeuroFieldz Inc	NH, CA

Neurosetta LLC	MA
Newance	WI
Nuthatch Robotics, Inc.	WI
Nysus Solutions	MA
OceanSpace LLC	OH
Opus KSD, Inc	FL
ORB Technologies LLC	MA
Orion Labs LLC	KY
OTS R&D, Inc.	CO
OxiWear	MD
Pangea Chat LLC	VA
PediaMetrix Inc	VA
Perfect Energy, Inc	MD
Pharos Enterprise Intelligence	CO
Phase2 Technology	OR
Phaxtec, Inc.	VA
Phyta Biotech Consulting	NC
Pills2Me Inc.	NC
Pitch Media Group, Inc.	NV, GA
Pivot Payables, Inc.	MA
PMG Learning, LLC	WA
Projection Genie Inc.	MA
Proteovista LLC	CA
PSG	WI
PSYONIC	TX
QATCH Technologies	CA
QBench	NC
Quadridox, Inc.	FL
Qualtech Systems, Inc.	NC
Quanthym	CT
Quantilus Innovation Inc.	MI
Quub, Inc.	NY
Reaktiv Studios, Inc.	PA
Real-Time Innovations, Inc	CA
Reboot Motion	CA
RemoteSpeech LLC	AZ
Resilio Therapeutics LLC	PA
Resonant Cavity LLC	NC
Rhythmic AI Inc.	MN
Ridgeline Therapeutics	MD
Rimidi	TX
Ripple Technology, LLC	GA

Rock Immune, Inc.	GA
Rocket Whale Products LLC	CO
Rogers Consulting	GA
Rotational Labs	MA
RxPlace	MN, VA
S Research Partners LLC	CA
SavvyCal, Inc.	NC
self	MN
Sequent Logic, LLC	CA
Sharp Sight AI	UT
SigParser	TX
Smart Locker USA	CA
Smart Material Solutions	WA
Smiley Technologies, Inc.	NC
Smobi	AK
Sonultra Corporation	NY
Soulshine Consulting	CA
Southern DNA	AL
Special Power Sources	GA
Spheric Bio	OH
Sporian Microsystems, Inc.	MA
Steadfast Innovation, LLC	CO
Stone Aerospace, Inc.	CA
Stress Therapeutics, Inc.	TX
Strike Advisory	CA
SunThru	ID
SunThru LLC	NY
Superset	CA, NY
Susteon Inc.	NY
Suture Health, Inc	NC
Swanlogic LLC	LA, AL
SygnaMap	NJ
Symmetric Health Solutions	TX
Takachar	PA
Tapp Networks LLC	TX
TaskOS, Inc.	DE
Taxster	WI
TechNeed, LLC	FL
Tensense	NJ
Texas Research Institute Austin, Inc. (TRI Austin)	WI
The Sheet Metal and Air Conditioning Contractors National Association (SMACNA)	TX
	DC

The Stella Group, Ltd.	VA
Theia Imaging LLC	NC
Theranano LLC	MA
Think2Build LLC	CA
TPL LLC	MI
Traceless	NY
Trail of Bits	NY
Transcend Engineering	VT
Trees ROI LLC	VT
Trillo, Inc	VT
Trio Labs	NC
Tripill Biotechnology, Corp.	NC
Trust Swiftly	FL
Tudi Mechanical	PA
Two Orioles LLC	NY
Tyber Medical LLC	PA
Undisclosed	CA
Unit Co	MD
University of Louisville	KY
UserScape	NY
Valize, LLC	NJ
Vemos, Inc.	MN
Venova Technologies	MA
Ventive, LLC	ID
VeraChem LLC	MD
Verpond, Inc.	CA
Vipe Inc	CA
Voximetry Incorporated	WI
Wayfarer Aircraft Research and Development	CA
Weinberg Medical Physics	MD
Wholecell.io	CO
Yanhai Power Technology, LLC	OH
Yemi Onakunle	CA
YNAB	UT