



**FOR IMMEDIATE RELEASE**

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## Small Software Business Alliance Celebrates Win for Small Business Innovation and Investment

WASHINGTON – The Small Software Business Alliance notched a win by securing restoration of an invaluable investment incentive for small tech companies. Permanent full tax deductibility of domestic research and development expenses through the recently passed budget reconciliation law does much for resetting the competitive playing field for American small businesses.

“The R&D tax deduction puts money back to work for small software businesses, innovation, and American competitiveness” said Alexandra Cooke, executive director of the Small Software Business Alliance (SSBA). “SSBA was founded with the single goal of restoring this critical small business tax incentive, and we are proud to say we did it! The deduction has long been characterized as benefitting big tech, but through education, advocacy, and countless meetings, SSBA members showed policymakers that it’s small tech companies that rely on it the most.”

The final version supports small business through:

- 1. Permanent Full Expensing of the R&D Deduction**

Permanent reinstatement of the research and development deduction gives small software businesses the certainty they need to plan and execute long-term business strategies. American businesses that were penalized for investing in innovation, hiring U.S. talent, and developing critical technologies now will have the ability to invest more upfront, run parallel testing, and reach the market faster.

- 2. Targeted Retroactive Full Expensing to 2022**

A cornerstone of U.S. leadership in the global innovation economy is our incenting risk-taking. Targeting retroactive expensing of R&D to small businesses with average annual gross receipts of \$31 million ensures that the businesses experiencing the most substantial financial harm are made whole and can get back to work betting on the next revolutionary tech.

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**About Small Software Business Alliance:**

The Small Software Business Alliance represents small and medium-sized technology companies, independent developers, and other small business advocates in creating tax policies that enable American small businesses to compete and win on the global stage. Small businesses are the backbone of our economy and providing them with the necessary tools and resources to succeed is paramount for sustained economic growth across the nation.