

June 17, 2025

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, D.C. 20510

Re: Innovator Alliance supports passage of Senate amendment to H.R. 1, the *One Big Beautiful Bill Act*

The Innovator Alliance, comprised of the undersigned organizations, commends the House for its leadership and writes in support of *Senate Amendment to H.R. 1, the One Big Beautiful Bill Act*. The current text advances a pro-growth tax policy framework, and while we look forward to working to further enhance aspects of the legislation, this bill is a critical step forward and we support its passage.

The Innovator Alliance is a coalition of leading organizations that advocate for policy to bolster entrepreneurs, employees, and investors that drive the innovation economy. The Innovator Alliance was founded last year by the Advanced Medical Technology Association, Angel Capital Association, Carta, Center for American Entrepreneurship, Engine, National Venture Capital Association, and Technology Councils of North America, and is expanding to more companies, investors, and other stakeholders across the country.

Our Alliance applauds the inclusion of a fix to Section 174, permanently restoring full and immediate expensing of research and development (R&D) investments. This is critical to the startups and growth-stage companies that are this country's economic and innovation engine. We are especially grateful to Chairman Crapo for his leadership on this issue and for ensuring that the final language also enables small businesses to apply this change retroactively. We are encouraged that policymakers have addressed this issue and done so on a permanent basis, which would create the clarity and certainty that drives investment in innovation.

Further, we applaud the work to expand the impact of Section 1202, the qualified small business stock exemption. QSBS drives capital and talent to the riskiest — but most critical part of the innovation engine — the startups and growth stage companies building the future. The Senate's inclusion of language to phase-in the benefit, expand the universe of businesses eligible, and the cap of the benefit will drive more investment into these companies and help more employee-owners benefit from their work. We appreciate policymakers including this provision and support it becoming law.

Again, we applaud the work of policymakers in crafting this package, we support its passage, and look forward to working with Congress and the Administration to advance a pro-growth, pro-innovation tax package that includes these vital reforms.

Please contact us at policy@innovationalliance.org to discuss these issues or if you have any questions. For more information, visit our website, www.innovatoralliance.org. Thank you.

Sincerely,

The Innovator Alliance

Advanced Medical Technology Association

Angel Capital Association

Carta

Center for American Entrepreneurship

Engine

National Venture Capital Association

Technology Councils of North America