December 14, 2011

The Honorable Max Baucus
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Orrin Hatch
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Dave Camp
Chairman
Committee on Ways & Means
United State House of Representatives
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
Committee on Ways & Means
United States House of Representatives
Washington, DC 20515

Dear Chairman Baucus, Ranking Member Hatch, Chairman Camp, and Ranking Member Levin:

As representatives from the patient and health advocacy community, we are writing to ask you to support an extension of the *Therapeutic Discovery Project Tax Credit* (I.R.C. § 48D). The credit was enacted in 2010 to encourage investment in new promising therapies to prevent, diagnose, and treat acute and chronic diseases.

Many emerging biotechnology companies are poised to make great advances in the treatment of diseases like cancer, diabetes, heart disease, and HIV/AIDS and countless other un- or undertreated diseases. However, America's research- and capital-intensive small companies involved in the development of next-generation technologies are struggling to raise the necessary capital to survive the current financial crisis. This is especially true for U.S. biotechnology companies.

In 2010, the *Therapeutic Discovery Project Tax Credit* injected $1 billion of much-needed capital into biotechnology. Companies with fewer than 250 employees which had made qualified investments in the development of promising new therapies designed to treat or prevent costly and chronic diseases were eligible for the credit. Nearly 3,000 small companies received funds from the program for over 4,500 innovative projects. The average company received $217,108, and some qualified for more than $1 million. This capital infusion allowed companies to continue their work of speeding cures and treatments to patients whose lives depend on them.

We believe that small life sciences companies are a key component of the intellectual infrastructure of America's 21st century economy and that the biotechnology industry will play a critical role in reducing future spending and improving quality of life for patients. Biotechnology has incredible potential to unlock the secrets to curing devastating diseases and helping people to live longer, healthier, and more productive lives, but the barriers that small biotech companies encounter on a daily basis threaten to impede their progress. The patients we represent need these medical breakthroughs, and it is imperative that Congress support and sustain the companies working so diligently to save and improve American lives.

We strongly urge you to support an extension of the *Therapeutic Discovery Project Tax Credit* so that biotech companies across the nation can weather the current economic storm and continue working toward delivering the next generation of medical breakthroughs – and, one day, cures – to patients who need them.

Sincerely,

Alliance for Aging Research
American Autoimmune Related Diseases Association
Batten Disease Support and Research Association
Beyond Batten Disease Foundation
Children's Cause for Cancer Advocacy
Coalition of Heritable Disorders of Connective Tissue
Colon Cancer Alliance
Community Access National Network
Cooley's Anemia Foundation
Crohn's & Colitis Foundation of America
Cystic Fibrosis Foundation
Detroit Medical Reserve Corps
Digestive Disease National Coalition
EveryLife Foundation for Rare Diseases
Foundation Fighting Blindness
Friedreich's Ataxia Research Alliance (FARA)
Genetic Alliance
HealthHIV
International Cancer Advocacy Network (ICAN)
International Foundation for Functional Gastrointestinal Disorders
Interstitial Cystitis Association
Jeffrey Modell Foundation
Kidney Cancer Association
Leukemia & Lymphoma Society
Lung Cancer Alliance
Muscular Dystrophy Association
National Foundation for Ectodermal Dysplasias
National Multiple Sclerosis Society
National Tay-Sachs & Allied Diseases Association
Parent Project Muscular Dystrophy
Pulmonary Hypertension Association
PXE International
RASopathies Network USA
Research!America
RESOLVE: The National Infertility Association
RetireSafe
Scleroderma Foundation
Society for Women's Health Research (SWHR)

Tuberous Sclerosis Alliance
US Hereditary Angioedema Association
Veterans Health Council
Vietnam Veterans of America
Wilson Disease Association International
ZERO – The Project to End Prostate Cancer