

October 19, 2009

The Honorable Harry Reid  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Mitch McConnell  
Republican Leader  
United States Senate  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives  
Washington, DC 20515

The Honorable John Boehner  
Republican Leader  
United States House of Representatives  
Washington, DC 20515

Dear Majority Leader Reid, Republican Leader McConnell, Speaker Pelosi, and Republican Leader Boehner:

As representatives from the patient and health advocacy community, we are writing to ask for your support of the *Therapeutic Discovery Project Tax Credit* which was included as part of the Senate Finance Committee-passed healthcare reform package. This tax credit encourages 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, autoimmune diseases, Muscular Dystrophy, Parkinson's disease, Multiple Sclerosis, Alzheimer's disease, cystic fibrosis and countless 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 the case regarding the U.S. biotechnology industry.

The *Therapeutic Discovery Project Tax Credit* would inject much-needed capital into small, research-intensive companies struggling to survive a devastating capital shortfall. Following the tax precedent recently set for alternative energy companies [IRC §48C], companies with 250 employees or fewer could apply for the tax credit up to 50 percent of qualified expenses associated with the research and development of new promising therapies designed to treat or prevent diseases and conditions in tax years 2009 and 2010. These funds would sustain research into new therapies by funding activities such as hiring researchers and scientists and conducting clinical studies, investments that could not otherwise be sustained given the current investment climate.

We believe that small life sciences companies are a key component of the intellectual infrastructure of America's 21<sup>st</sup> century economy. As U.S. healthcare costs continue to rise, the biotechnology industry will play a critical role in reducing future spending and improving quality of life for patients. A number of our patient-focused nonprofit organizations fund medical research in academia and industry, and rely on these companies to shepherd, from bench-to-bedside, new and life-saving therapies for patients across the country.

We strongly urge you to support the *Therapeutic Discovery Project Tax Credit* during consideration of healthcare reform.

Sincerely,

Alliance for Aging Research  
Allied Diseases Association  
Alpha-1 Foundation  
ALS Association  
ALS Therapy Development Institute  
Alzheimer's Association  
Alzheimer's Drug Discovery Foundation  
American Association for Cancer Research  
American Autoimmune Related Diseases Association  
American Institute for Medical and Biological Engineering  
CADASIL Together We Have Hope  
Californians for Cures  
CANN - Community Access National Network  
CARES Foundation  
Celiac Disease Center at Columbia University  
Centronuclear Myopathy Project  
Children's Tumor Foundation  
Cooley's Anemia Foundation  
Cure Duchenne  
Dystonia Medical Research Foundation  
Easter Seals  
Epilepsy Therapy Project  
Family Resource Network  
Foundation Fighting Blindness, Inc.  
Friedreich's Ataxia Research Alliance  
Genetic Alliance  
HealthCare Institute of New Jersey  
Huntington's Disease Society of America  
In Need Of Diagnosis, Inc.  
International Cancer Advocacy Network (ICAN)  
International Foundation for Gastrointestinal Disorders  
Interstitial Cystitis Association  
Jeffery Modell Foundation  
Juvenile Diabetes Awareness Coalition  
Kidney Cancer Association  
Leukemia & Lymphoma Society

Lung Cancer Alliance  
Muscular Dystrophy Association  
Myotubular Myopathy Resource Group  
National Health Council  
National Hispanic Medical Association  
National Multiple Sclerosis Society  
National Spinal Cord Injury Association  
National Tay-Sachs & Allied Diseases Association  
New Bridge Services, Inc.  
New Jersey Association of Mental Health Agencies  
Parent Project Muscular Dystrophy  
Parkinson's Action Network  
Project CF  
PXE International  
Sjögren's Syndrome Foundation  
Society for Women's Health Research  
Spinal Muscular Atrophy Foundation  
Student Society for Stem Cell Research  
Sturge-Weber Foundation  
The Life Raft Group  
Tuberous Sclerosis Alliance  
United Spinal Association  
Vital Options International