

(Washington, D.C.) –U.S. Rep. Rush Holt (NJ-12) introduced his first pieces of legislation of the 112th Congress, a package that would help foster job creation and provide tax relief to small businesses and middle class families.

“My first priority in the new year and the new Congress remains helping to foster job creation and supporting middle class families,” Holt said. “While the private sector continues to create jobs month after month – in contrast to two years ago when employers were shedding 750,000 jobs a month – the job creation is not as robust as it needs to be to help our families. The bills I have introduced would provide tax relief to businesses and families struggling in this economy and invest in the innovation that leads to long-term economic growth and jobs that can’t be sent overseas.”

Holt introduced the following legislation:

The “Creating Jobs From Innovative Small Businesses Act” - to encourage small business investment by establishing a temporary 20 percent tax credit for investments in research-intensive small businesses. The credit would be targeted – only start-up small businesses who invest 50 percent of their budget in research would be eligible. This legislation builds on a successful state initiative in New Jersey and 17 other states.

The “Create Jobs by Expanding the R&D Tax Credit Act” – to help businesses by strengthening the research and development (R&D) tax credit, which allows businesses to invest in innovation and, in the process, expand and hire new workers. Holt’s legislation temporarily would boost the most common form of the federal R&D tax credit, which would create 162,000 jobs in the short-term and increase the GDP by \$90 billion, according to the Information Technology and Innovation Foundation. In addition, Holt’s legislation also would make the credit more useful for start-up businesses by allowing them to sell their unused tax credit, modeled after a successful New Jersey program.

Another bill would make permanent the R&D tax credit, which studies show returns two dollars in private research investment for every dollar spent. The credit has never been made permanent, creating uncertainty among many research-intensive businesses.

In addition to these bills to provide tax relief to small businesses, Holt introduced legislation to extend his federal property tax relief initiative for five years. The property tax deduction – which benefits more than 30 million homeowners who do not itemize on their Federal tax returns – is

based on legislation Holt introduced in 2007 and was enacted into law in 2008. Under the law, single-filing property-owning taxpayers can take an additional deduction of \$500 and joint filers can deduct \$1,000 for state and local property taxes paid or accrued. Holt previously secured a one-year extension, and this legislation would extend the deduction through the 2015 tax year so that families can continue to benefit from this tax relief.

“As we work to strengthen the economic recovery and job creation in Central New Jersey and across the country, I will continue reaching out to families and business owners to hear their ideas and solutions,” Holt said.

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