

**AMENDMENT****OFFERED BY MR. NEAL OF MASSACHUSETTS**

Section 174(e) of the Internal Revenue Code of 1986, as proposed to be added by section 101(a), is amended to read as follows:

1       “(e) SUSPENSION OF APPLICATION.—

2               “(1) IN GENERAL.—Except as provided in para-  
3       graph (2), this section shall apply to amounts paid  
4       or incurred in taxable years beginning after Decem-  
5       ber 31, 2025 (and shall not apply to amounts paid  
6       or incurred in taxable years beginning on or before  
7       such date).

8               “(2) EXCEPTION FOR RESEARCH PERFORMED  
9       IN CHINA.—Paragraph (1) shall not apply to any  
10       amount paid or incurred with respect to any service  
11       performed, or property used, in the People’s Repub-  
12       lic of China.”.

Subsection (k) of section 174A of the Internal Revenue Code of 1986, as proposed to be added by section 101(b), is redesignated as subsection (l).

Section 174A of the Internal Revenue Code of 1986, as proposed to be added by section 101(b), is amended

by inserting after subsection (j) the following new subsection:

1       “(k) EXCEPTION FOR RESEARCH PERFORMED IN  
2 CHINA.—This section shall not apply to any amount paid  
3 or incurred with respect to any service performed, or prop-  
4 erty used, in the People’s Republic of China.”.

