

112TH CONGRESS  
2D SESSION

# H. R. 3976

To provide exporting assistance to small business concerns, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 2012

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Small Business, Financial Services, and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide exporting assistance to small business concerns,  
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Enhancing Exports  
5 Through Entrepreneurship Act of 2012”.

6 **SEC. 2. SMALL BUSINESS TAX CREDIT FOR COSTS ASSOCI-**  
7 **ATED WITH EXPANDING EXPORT MARKETS.**

8 (a) IN GENERAL.—Subpart D of part IV of sub-  
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new  
2 section:

3 **“SEC. 45S. CREDIT FOR SMALL BUSINESS COSTS OF EX-**  
4 **PANDING EXPORT MARKETS.**

5 “(a) IN GENERAL.—For purposes of section 38, in  
6 the case of a qualified small business, the small business  
7 export expansion credit for any taxable year is an amount  
8 equal to 25 percent of the export expansion expenses of  
9 the taxpayer paid or incurred during the taxable year.

10 “(b) EXPORT EXPANSION EXPENSES.—For purposes  
11 of this section, the term ‘export expansion expenses’  
12 means amounts paid or incurred by the taxpayer for the  
13 purpose of increasing the amount of goods sold for con-  
14 sumption, or services provided, outside the United States.  
15 Such term shall not include the cost of goods sold (and  
16 similar amounts with respect to services provided).

17 “(c) QUALIFIED SMALL BUSINESS.—For purposes of  
18 this section, the term ‘qualified small business’ means a  
19 small business concern within the meaning of section 3  
20 of the Small Business Act.”.

21 (b) CREDIT TO BE PART OF GENERAL BUSINESS  
22 CREDIT.—

23 (1) IN GENERAL.—Subsection (b) of section 38  
24 of such Code is amended by striking “plus” at the  
25 end of paragraph (35), by striking the period at the

1 end of paragraph (36) and inserting “, plus”, and  
2 by adding at the end the following new paragraph:

3 “(37) in the case of a qualified small business  
4 (as defined in section 45S(c)), the small business ex-  
5 port expansion credit determined under section  
6 45S(a).”.

7 (2) CREDIT ALLOWABLE AGAINST ALTERNATIVE  
8 MINIMUM TAX.—Subparagraph (B) of section  
9 38(c)(4) of such Code is amended by redesignating  
10 clauses (vii) through (ix) as clauses (viii) through  
11 (x), respectively, and by inserting after clause (vi)  
12 the following new clause:

13 “(vii) the credit determined under sec-  
14 tion 45S,”.

15 (c) CLERICAL AMENDMENT.—The table of sections  
16 for subpart D of part IV of subchapter A of chapter 1  
17 of such Code is amended by adding at the end the fol-  
18 lowing new item:

“Sec. 45S. Credit for small business costs of expanding export markets.”.

19 (d) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to taxable years beginning after  
21 the date of the enactment of this Act.

22 **SEC. 3. AVAILABILITY OF ESSENTIAL TRADE INFORMA-**  
23 **TION.**

24 Section 22(c)(7) of the Small Business Act (15  
25 U.S.C. 649(c)(7)) is amended—

1           (1) in subparagraph (C) by striking “and” at  
2 the end;

3           (2) in subparagraph (D) by inserting “and”  
4 after the semicolon; and

5           (3) by adding at the end the following:

6           “(E) compiling in a format that is acces-  
7 sible and able to be understood by the owners  
8 of small business concerns, making available to  
9 appropriate partner entities (including small  
10 business development centers, women’s business  
11 centers, chapters of the Service Corps of Re-  
12 tired Executives, Veterans Business Outreach  
13 Centers, and Export Assistance Centers), and  
14 updating each year a document that contains—

15           “(i) the tariff schedules of all foreign  
16 countries (organized by industry sector);  
17 and

18           “(ii) for each of the 50 foreign coun-  
19 tries to which the highest total value of  
20 United States goods and services are ex-  
21 ported (as determined by the Associate Ad-  
22 ministrator), information on the demand  
23 for goods and services in the country, in-  
24 cluding an identification of the 10 industry  
25 sectors with respect to which the highest

1 total value of United States goods and  
2 services are exported to the country (as de-  
3 termined by the Associate Adminis-  
4 trator);”.

5 **SEC. 4. FOREIGN CUSTOMER MATCHMAKING.**

6 Section 22(c) of the Small Business Act (15 U.S.C.  
7 649(c)) is amended—

8 (1) in paragraph (12) by striking “and” at the  
9 end;

10 (2) in paragraph (13) by striking the period  
11 and inserting “; and”; and

12 (3) by adding at the end the following:

13 “(14) in coordination with the Department of  
14 Commerce and other appropriate Federal depart-  
15 ments and agencies, identify and advertise to small  
16 business concerns programs and services that facili-  
17 tate the matching of foreign customers to small  
18 business concerns, including—

19 “(A) any program administered by a Fed-  
20 eral department or agency that assists small  
21 business concerns to identify and meet with for-  
22 eign buyers, partners, or sales representatives;  
23 and

24 “(B) any service of a Federal department  
25 or agency that assists small business concerns

1 to participate in personalized business match-  
2 making, trade missions, reverse trade missions,  
3 or trade shows.”.

4 **SEC. 5. LOANS TO SMALL BUSINESSES BY THE EXPORT-IM-**  
5 **PORT BANK.**

6 Section 2(b)(1)(E)(v) of the Export-Import Bank Act  
7 of 1945 (12 U.S.C. 635(b)(1)(E)(v)) is amended—

8 (1) in the first sentence, by inserting “, and  
9 from the aggregate loan authority available to it, an  
10 amount to so finance such exports which shall be not  
11 less than 30 percent of such authority for each fiscal  
12 year” before the period; and

13 (2) by adding at the end the following new sen-  
14 tence: “The Bank shall charge interest and fees to  
15 the extent necessary to fully offset the costs of mak-  
16 ing loans under this clause.”.

17 **SEC. 6. INCREASE IN SMALL BUSINESS INVESTMENT BY**  
18 **OVERSEAS PRIVATE INVESTMENT CORPORA-**  
19 **TION.**

20 (a) IN GENERAL.—Title IV of chapter 2 of part I  
21 of the Foreign Assistance Act of 1961 is amended—

22 (1) in section 231(e)(2) (22 U.S.C. 2191(e)(2)),  
23 by striking “30 percent” and inserting “40 per-  
24 cent”;

1 (2) in section 233(b) (22 U.S.C. 2193(b)), by  
2 striking “two of the eight” and inserting “three of  
3 the eight”; and

4 (3) in section 240(a) (22 U.S.C. 2200(a)), by  
5 striking “50 percent” and inserting “60 percent”.

6 (b) EFFECTIVE DATE.—The amendments made by  
7 subsection (a) take effect on the date of the enactment  
8 of this Act and apply with respect each fiscal year begin-  
9 ning on or after such date of enactment.

10 **SEC. 7. LIMITATIONS ON DUTIES THAT APPLY TO CERTAIN**  
11 **GOODS AND SERVICES IMPORTED INTO THE**  
12 **UNITED STATES FOR USE BY SMALL BUSI-**  
13 **NESS CONCERNS.**

14 (a) LIMITATION ON HTS DUTIES.—Notwithstanding  
15 any other provision of law, the rate of duty under the HTS  
16 that applies to a covered good or covered service that is  
17 imported into the United States shall not exceed the lesser  
18 of—

19 (1) the rate of duty that applies to the good or  
20 service on the date on which the good or service is  
21 purchased by a small business concern; or

22 (2) the rate of duty that applies to the good or  
23 service at the time of entry.

24 (b) LIMITATION ON ADDITIONAL DUTIES.—

1           (1) IN GENERAL.—Notwithstanding any other  
2           provision of law, no additional duty described in  
3           paragraph (2) shall apply with respect to a covered  
4           good or covered service that is imported into the  
5           United States.

6           (2) ADDITIONAL DUTIES.—An additional duty  
7           described in this paragraph is—

8                   (A) a countervailing duty imposed under  
9                   subtitle A of title VII of the Tariff Act of 1930  
10                  (19 U.S.C. 1671 et seq.);

11                   (B) an antidumping duty imposed under  
12                   subtitle B of title VII of the Tariff Act of 1930  
13                  (19 U.S.C. 1673 et seq.); and

14                   (C) any other additional duty imposed  
15                  under any other provision of law.

16           (c) DOCUMENTATION.—The Secretary shall require  
17           the importer of a good or service who, for purposes of this  
18           section, claims the good or service to be a covered good  
19           or covered service, as the case may be, to submit such  
20           documentation or other information to the Secretary as  
21           may be necessary to verify the accuracy of such claims.

22           (d) REGULATIONS.—The Secretary is authorized to  
23           prescribe such rules and regulations as are necessary to  
24           carry out the provisions of this section.

25           (e) DEFINITIONS.—In this section:



1           (1) COVERED GOOD.—The term “covered good”  
2 or “good” means a good that is purchased by a  
3 small business concern for use in its regular busi-  
4 ness operations.

5           (2) COVERED SERVICE.—The term “covered  
6 service” or “service” means a service that is pur-  
7 chased by a small business concern for use in its  
8 regular business operations.

9           (3) HTS.—The term “HTS” means the Har-  
10 monized Tariff Schedule of the United States.

11          (4) IMPORTER.—The term “importer” means—

12           (A) as such term relates to imports of  
13 goods, one of the parties eligible to file the re-  
14 quired customs entry documentation or infor-  
15 mation pursuant to section 484(a)(2)(B) of the  
16 Tariff Act of 1930 (19 U.S.C. 1484(a)(2)(B));  
17 and

18           (B) as such term relates to imports of  
19 services, the importer of the service as defined  
20 by the Secretary in rules and regulations pro-  
21 mulgated by the Secretary.

22          (5) SMALL BUSINESS CONCERN.—The term  
23 “small business concern” has the meaning given  
24 such term for purposes of the Small Business Act  
25 (15 U.S.C. 631 et seq.).

1           (6) SECRETARY.—The term “Secretary” means  
2 the Secretary of Homeland Security.

3           (7) TIME OF ENTRY.—The term “time of  
4 entry” means—

5           (A) as relates to imports of covered goods,  
6 the time generally specified in section  
7 484(a)(2)(A) of the Tariff Act of 1930 (19  
8 U.S.C. 1484(a)(2)(A)) and prescribed in regula-  
9 tions (19 C.F.R. 141.68); and

10           (B) as relates to imports of services, the  
11 time specified by the Secretary in rules and reg-  
12 ulations promulgated by the Secretary.

13           (f) EFFECTIVE DATE.—This section takes effect on  
14 the date of the enactment of this Act and applies to cov-  
15 ered goods and covered services entered, or withdrawn  
16 from warehouse for consumption, on or after the 15th day  
17 after the date of the enactment of this Act.

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