

**PROVIDE TAX INCENTIVES FOR  
SPACE ENTERPRISE  
March 2005**

Background: Aerospace industry is essential to nation's security, economic well-being and intellectual capital.

- Aerospace industry creates about 15 percent of gross domestic product
- Aerospace industry employs about 11 million people
- Aerospace industry leads U.S. in net exports
- Aerospace industry not provided with tax incentives available to some other industries
- Character of aerospace industry changing as reflected by success of SpaceShip One and promise of Virgin Galactic Spacelines
- Additional space infrastructure required for changing industry
- Additional aerospace workers required as current workers near retirement

Issues:

- Tax incentives needed to attract private investment in space products and services
- Tax incentives needed to attract private investment in space infrastructure
- Tax incentives needed to attract private investment to lower cost of nation's access to space
- Tax incentives needed to increase participation of aerospace employees as science, math and engineering teachers

Requested Congressional Action:

- Support Zero Gravity, Zero Tax Act (HR 1024) which would provide tax incentives to attract private investment in space products and services
- Introduce and support legislation to attract private investment in space infrastructure (similar to Spaceport Equality Act, HR 644, 108<sup>th</sup> Congress)
- Introduce and support legislation to attract private investment to reduce cost of nation's access to space (similar to Invest in Space Now, HR 2358, 108<sup>th</sup> Congress)
- Introduce and support legislation to increase number of space professionals as math, science and engineering teachers (similar to Technology Education Incentive Act, HR 3590, 108<sup>th</sup> Congress)