

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 8755

To amend the Internal Revenue Code of 1986 to enhance the qualified business income deduction for domestic manufacturers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2026

Mrs. MILLER of West Virginia introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to enhance the qualified business income deduction for domestic manufacturers, 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 “Enhanced Small Busi-  
5 ness Growth Act of 2026”.

1 **SEC. 2. ENHANCED QUALIFIED BUSINESS INCOME DEDUC-**  
2 **TION FOR DOMESTIC MANUFACTURERS.**

3 (a) IN GENERAL.—Section 199A of the Internal Rev-  
4 enue Code of 1986 is amended by adding at the end the  
5 following new subsection:

6 “(j) ENHANCED DEDUCTION FOR QUALIFIED DO-  
7 MESTIC MANUFACTURERS.—

8 “(1) IN GENERAL.—In the case of any qualified  
9 domestic manufacturer—

10 “(A) subsections (a)(2) and (b)(2)(A) shall  
11 each be applied by substituting ‘30 percent’ for  
12 ‘20 percent’, and

13 “(B) subsection (b)(2)(B)(i) shall be ap-  
14 plied by substituting ‘100 percent’ for ‘50 per-  
15 cent’.

16 “(2) QUALIFIED DOMESTIC MANUFACTURER.—  
17 For purposes of this subsection—

18 “(A) IN GENERAL.—The term ‘qualified  
19 domestic manufacturer’ means, with respect to  
20 any taxable year, any taxpayer with respect to  
21 whom at least 85 percent of the combined  
22 qualified business income amount for such tax-  
23 able year is derived from a qualified domestic  
24 manufacturing trade or business.

25 “(B) QUALIFIED DOMESTIC MANUFAC-  
26 TURING TRADE OR BUSINESS.—

1           “(i) IN GENERAL.—The term ‘quali-  
2           fied domestic manufacturing trade or busi-  
3           ness’ means any qualified trade or busi-  
4           ness—

5                       “(I) which manufactures tangible  
6                       property, and

7                       “(II) with respect to which at  
8                       least 20 percent of the cost of goods  
9                       sold for the taxable year that are allo-  
10                      cable to qualified gross receipts are  
11                      attributable to labor and overhead ex-  
12                      penses incurred within the United  
13                      States (determined under regulations  
14                      prescribed by the Secretary).

15                     “(ii) QUALIFIED GROSS RECEIPTS.—  
16                     The term ‘qualified gross receipts’ means,  
17                     with respect to any taxable year, the gross  
18                     receipts of the taxpayer during such tax-  
19                     able year which are derived from any lease,  
20                     rental, license, sale, exchange, or other dis-  
21                     position of any tangible property referred  
22                     to in clause (i)(I).

23                     “(3) REGULATIONS.—The Secretary shall pre-  
24                     scribe such regulations as are necessary to carry out  
25                     the purposes of this subsection.”.

1           (b) TAXABLE INCOME COMPUTATION MODIFIED.—  
2 Section 199A(e)(1) of such Code is amended by striking  
3 “shall be computed” and all that follows, and inserting  
4 the following: “shall be computed—  
5                   “(A) without regard to section 68,  
6                   “(B) without regard to any deduction al-  
7 lowable under this section, and  
8                   “(C) in the case of a taxpayer who, with  
9 respect to any taxable year, elects to itemize de-  
10 ductions for such taxable year, without regard  
11 to any deduction allowable under section 170.”.

12           (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply with respect to taxable years begin-  
14 ning after December 31, 2025.

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