

May 20, 2024

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

The Honorable Ron Wyden
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Committee on Finance
U.S. Senate
Washington, DC 20510

Dear Leader Schumer, Leader McConnell, Chairman Wyden and Ranking Member Crapo:

We, the undersigned organizations, representing thousands of manufacturers who collectively employ millions of Americans, urge the Senate to act immediately to pass the *Tax Relief for American Families and Workers Act*.

This critical legislation will support the ability of manufacturers in America to create jobs, invest in our businesses, give back to our communities and effectively compete in the global economy. The *Tax Relief for American Families and Workers Act* will restore three pro-growth tax policies: immediate expensing for domestic R&D expenses, enhanced deductibility of interest on business loans and 100% accelerated depreciation for capital investments.

Without tax policies that encourage R&D and capital investment, countries with more favorable tax systems are capturing job-creating manufacturing investments. China provides a 200% super deduction for R&D expenses—*ten times* more generous than the U.S.'s current amortization requirement. In 2022, the first full year after immediate R&D expensing expired in the U.S., China's R&D growth *tripled* that of the United States. That same year, the European Union's R&D growth surpassed the U.S. for the first time in nearly a decade.

Put simply, failing to reinstate these tax policies forces manufacturers in the U.S. to surrender jobs and economic opportunities to China and our other global competitors and makes it more difficult for our industry to innovate for the future.

The time to act is now. The Senate must act immediately to protect thousands of small and medium manufacturers, millions of family-supporting jobs and billions of dollars in investment by passing the *Tax Relief for American Families and Workers Act*.

Sincerely,

National Association of Manufacturers
Alaska Chamber
Alliance of Wyoming Manufacturers
Arizona Manufacturers Council

Arkansas State Chamber/Associated Industries of Arkansas
Associated Industries of Florida
Associated Industries of Massachusetts
Associated Industries of Missouri
Association of Washington Business
Business & Industry Association of New Hampshire
California Manufacturers & Technology Association
Chamber of Commerce Hawaii
Colorado Chamber of Commerce
Connecticut Business & Industry Association (CBIA)
Delaware Manufacturing Association
Georgia Association of Manufacturers
Greater North Dakota Chamber
Idaho Association of Commerce & Industry
Illinois Manufacturers' Association
Indiana Manufacturers Association
Iowa Association of Business and Industry
Kansas Chamber and the Kansas Manufacturing Council
Kentucky Association of Manufacturers
Louisiana Association of Business and Industry
Maine State Chamber of Commerce
Maryland Chamber of Commerce
Michigan Manufacturing Association
Minnesota Chamber of Commerce
Mississippi Manufacturers Association
Montana Chamber of Commerce
North Carolina Chamber
Nebraska Manufacturing Alliance
Nevada Manufacturers Association
New Jersey Business & Industry Association
New Mexico Business Coalition
Oregon Business & Industry
Pennsylvania Manufacturers' Association
Rhode Island Manufacturers Association
South Carolina Chamber of Commerce
Tennessee Chamber of Commerce and Industry
Texas Association of Business
The Business Council of New York State
The Ohio Manufacturers' Association
The State Chamber of Oklahoma
Utah Manufacturers Association
Virginia Manufacturers Association
West Virginia Manufacturers Association
Wisconsin Manufacturers & Commerce