February 12, 2015

U.S. House of Representatives
Washington, DC 20515

Dear Representatives,

The National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing manufacturers in every industrial sector and in all 50 states, urges you to support H.R. 636, the America's Small Business Tax Relief Act of 2015, introduced by Reps. Pat Tiberi (R-OH) and Ron Kind (D-WI). The legislation restores and makes permanent the enhanced Section 179 expensing provisions that expired at the end of 2014.

Enhanced Section 179 expensing allows manufacturers to immediately write off up to $500,000 of investments in new property and equipment, in the year that it is purchased rather than being forced to depreciate the cost of the investment over time. Making this provision a permanent part of the tax code will help manufacturers invest and compete and will also help those manufacturers whose customers rely on enhanced Section 179 to help defray the tax cost of their investment. Since 2003, Congress has steadily increased the amount of investment that small businesses can expense from $25,000 to $500,000. Support for this expansion has been long-standing, bipartisan and widespread.

Capital investment is key to economic growth, job creation and competitiveness. The most effective way to spur business investment and make manufacturing in the United States more competitive is through a strong capital cost-recovery system. Thus, NAM members strongly support H.R. 636, the America's Small Business Tax Relief Act and urge Congress to pass this important legislation.

The NAM’s Key Vote Advisory Committee has indicated that votes on H.R. 636, including procedural motions, may be considered for designation as Key Manufacturing Votes in the 114th Congress.

Thank you for your consideration.

Sincerely,

Aric Newhouse