



Jay Timmons
Executive Vice President

December 2, 2009

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to oppose H.R. 4154, the Permanent Estate Tax Relief for Families, Farmers, and Small Businesses Act of 2009.

The NAM has consistently supported efforts to either repeal or significantly reform the estate tax. For small and medium-sized manufacturers, owners and families, the estate tax is more than a one-time tax. In a recent survey of the NAM's small and medium-sized manufacturers, respondents said that, on average, they spend \$94,000 annually on fees and estate-planning costs in preparation for their estate tax bill. This is money that could have been used to grow businesses and add jobs.

Legislation enacted in 2001 gradually phases out the estate tax and ultimately repeals the tax in 2010. However, without congressional action to make the repeal permanent, the tax will revert in 2011 to the extremely high pre-2001 rates.

H.R. 4154 would make permanent the 2009 rate of 45 percent and the \$3.5 million exemption. While the NAM appreciates efforts to provide certainty by making the estate tax rates permanent, we do not view a 45 percent rate or an exemption that is not indexed to inflation as efforts that will achieve significant reform.

We urge members of the House of Representatives to oppose H.R. 4154 and bring up legislation that will provide significant relief for small manufacturers facing this onerous tax.

The NAM's Key Vote Advisory Committee has indicated that votes on H.R. 4154, including potential procedural motions, may be considered for designation as Key Manufacturing Votes in the 111th Congress. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Jay Timmons". The signature is fluid and cursive, with the first letters of "J" and "T" being particularly large and stylized.

Jay Timmons

Manufacturing Makes America Strong