

Jay Timmons

Executive Vice President

September 14, 2010

U.S. Senate  
Washington, DC 20510

Dear Senators:

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 Senate Amendment (SA) 4595, offered by Senator Bill Nelson (D-FL), which would levy taxes on the oil and gas industry to offset the costs of modifying reporting requirements under Section 9006 of the Patient Protection and Affordable Care Act.

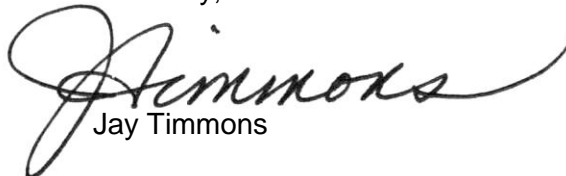
The Nelson amendment would impose roughly \$8 billion in tax increases on energy producers. Section 199 of the 2004 American Jobs Creation Act is designed to reduce the tax burden on domestic manufacturers and help spur investment and create jobs in the United States. The Nelson amendment would exclude the income from U.S. oil and natural gas production, refining and processing from the Section 199 tax benefit, thus discouraging new oil and gas investments in the United States by making them less competitive compared to foreign opportunities.

Manufacturers strongly oppose discriminatory tax policies, especially when they single out a particular type of business or industry sector. Additionally, tax increases on the oil and gas industry will ultimately result in increased energy costs for manufacturers. As our nation confronts a host of economic challenges, raising the price of fuel on manufacturers, who use roughly 30 percent of the nation's energy, will further stifle the ability of the business sector as a whole to expand and create jobs.

The NAM's Key Vote Advisory Committee has indicated that votes related to the Nelson amendment, including votes on procedural motions, may be considered for designation as Key Manufacturing Votes in the 111<sup>th</sup> Congress.

Thank you for your consideration.

Sincerely,



Jay Timmons

Key Manufacturing Vote