



Aric Newhouse

*Senior Vice President
Policy and Government Relations*

September 26, 2018

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. 6760, the Protecting Family and Small Business Tax Cuts Act of 2018, introduced by Rep. Rodney Davis (R-IL).

Last year, Congress passed the first major overhaul of our tax code in more than 30 years, resulting in a historic increase in confidence among manufacturers. The NAM's quarterly Manufacturers' Outlook Survey has measured key data in the industry for two decades. Immediately after the passage of tax reform, manufacturers' optimism reached the highest level in the survey's history. Moreover, when the NAM asked manufacturers about their post-tax reform plans, 86 percent said that they would increase investment in their business, 77 percent said they would hire more workers and 72 percent said they would increase wages and benefits. In short, the men and women of manufacturing are using tax reform's benefits to grow the economy, create more jobs and provide increased prosperity for hardworking families – just like we said we would.

H.R. 6760 builds on this momentum by making permanent a key provision that encourages capital spending and job creation among small- and medium-sized manufacturers. H.R. 1, the Tax Cuts and Jobs Act, created a new, temporary 20 percent deduction for business income earned by a pass-through entity. This new provision provides the largest possible benefit to manufacturers and other industries that invest heavily in capital equipment.

H.R. 6760 makes this new deduction permanent and provides the nearly two-thirds of manufacturers that are organized as pass-through entities the certainty necessary to plan for the future and continue providing well-paying jobs for years to come.

The NAM's Key Vote Advisory Committee has indicated that votes on the H.R. 6760, including procedural motions, may be considered for designation as Key Manufacturing Votes in the 115th Congress. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads 'Aric Newhouse'.

Aric Newhouse

Key Manufacturing Vote