



SUBMITTED VIA E-MAIL: WMSubmission@mail.house.gov

April 25, 2024

The Honorable Jason Smith
Chairman
U.S. House of Representatives Ways and Means
Longworth House Office Building 1011
Washington, DC 20515

The Honorable Richard E. Neal
Ranking Member
U.S. House of Representatives Ways and Means
Cannon House Office Building 372
Washington, DC 20515

Re: Hearing on Expanding the Success of the 2017 Tax Relief to Help Hard Working Americans

Dear Chairman Smith and Ranking Member Neal:

The American Chemistry Council (ACC) represents the leading companies engaged in the \$640 billion-dollar business of chemistry. ACC members apply the science of chemistry to make innovative products, technologies and services that make people's lives better, healthier, and safer.

ACC appreciates the opportunity to submit comments in response to the Committee's hearing April 11, 2024, on the success of the 2017 Tax Cuts and Jobs Act, (TCJA) specifically the impact to U.S. manufacturing.

U.S. economic growth requires sound tax policies that incentivize capital investment, job creation and global competitiveness of U.S. businesses. Immediate R&D expensing, the pre-2022 Section 163(j) interest expense deduction limitation, and full expensing of capital equipment purchases – all part of TCJA – are all tax policies that allow U.S. businesses to thrive, create jobs and strengthen the U.S. economy.

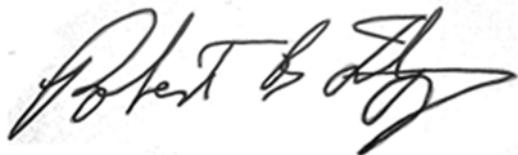
As we have been advocating for years, ACC urges Congress to take action now to restore immediate R&D expensing, revert to pre-2022 Section 163(j) interest deduction limitation based

on EBIDTA and extend the full expensing provision. Taking such action through passage of the Tax Relief for American Families and Workers Act has bipartisan support and has the support of U.S. manufacturers including ACC members.

In stark contrast, the proposals outlined by the Administration as part of the FY 2025 budget have ACC members very concerned, particularly as they roll back provisions in TCJA. Significantly raising the corporate tax rate and the CAMT rate, and the many other proposals that raise taxes indiscriminately (e.g., the repeal of foreign derived intangible income and changes to the interest limitation rules) would choke U.S. manufacturers, diverting dollars from Domestic investment and workers.

We look forward to actively participating in discussions around the expiration of TCJA and believe the hearing was an important first step. We thank you for the opportunity to provide these comments.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert B. Flagg". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert B. Flagg
Senior Director, Federal Affairs
American Chemistry Council