

June 1, 2012

The Honorable John Boehner
Speaker of the House of Representatives
The U.S. Capitol
Washington, D.C. 20515

The Honorable Nancy Pelosi
House Minority Leader
The U.S. Capitol
Washington, D.C. 20515

The Honorable Harry Reid
Senate Majority Leader
The U.S. Capitol
Washington, D.C. 20510

The Honorable Mitch McConnell
Senate Minority Leader
The U.S. Capitol
Washington, D.C. 20510

Dear Congressional Leaders:

The undersigned companies and associations strongly support and ask for immediate action on two bipartisan companion bills: H.R. 4196, a bill introduced by Congressmen Tiberi, Larson, Paulsen, Neal, Marchant, and Pascrell and S. 2240, introduced by Senators Stabenow, Blunt, Brown (OH), and Roberts.

These bills will provide an immediate and temporary incentive for businesses to make new capital investments in the United States by extending 100 percent expensing (bonus depreciation), the Alternative Minimum Tax (AMT) Credit in lieu of bonus depreciation provisions and including companies using PCM (percentage of completion method of accounting) through 2012.

Enacting this legislation will enable businesses to access capital for immediate investment and create jobs in the United States now.

From September 2010 through the end of 2011, businesses could elect to immediately deduct the cost of qualifying purchased property. Currently, however, businesses can only elect to deduct 50 percent of the cost of these investments. As our economy continues to struggle, this much-needed legislation restores the 100 percent bonus depreciation through 2012 and provides a real incentive for businesses to make significant investments here at home.

Additionally, the AMT in lieu of bonus provision would allow companies that do not benefit from the extension of full bonus depreciation - to utilize their existing AMT credits (pre-paid taxes) if they make the same types of capital investments that are required under bonus depreciation.

Companies that enter into certain long-term contracts requiring PCM are currently precluded from taking advantage of bonus depreciation since income is perversely accelerated into the current year. The bills would provide companies utilizing this accounting method with parity and allow them to elect bonus depreciation.

Because of the importance of this legislation to U.S. economic growth and competitiveness, we strongly urge you to support immediate action on this pro-growth, pro-jobs legislation. Thank you in advance for your support of this bipartisan, bicameral legislation.

Sincerely,

Aeronautical Repair Station Association
Aerospace Industries Association
Air Conditioning Contractors of America

Airlines for America
American Airlines
American Concrete Pressure Pipe Association
American Council of Engineering Companies
American Institute of Architects
American Rental Association
American Road & Transportation Builders Association
American Traffic Safety Services Association
AMT - The Association For Manufacturing Technology
Arch Coal
Associated Equipment Distributors
Association of American Railroads
Association of Equipment Manufacturers
Caterpillar Inc.
Cliffs Natural Resources
CMS Energy
Comcast
Cox Enterprises
CTIA-The Wireless Association
Dallas/Fort Worth Associated Equipment Distributors
Deep South Equipment Dealers Association
Distribution Contractors Association
Far West Equipment Dealers Association
Farm Equipment Manufacturers Association
FedEx
Frontier Communications
General Aviation Manufacturers Association
General Dynamics
General Motors Company
Hawker Beechcraft Corporation
Heating, Air-Conditioning & Refrigeration Distributors International
Illinois Equipment Distributors Association
Interlocking Concrete Pavement Institute
Iowa-Nebraska Equipment Dealers Association
John Deere
Kansas City Associated Equipment Distributors
Lockheed Martin Corporation
Material Handling Equipment Distributors Association
Memphis Associated Equipment Distributors
Mid-America Equipment Retailers Association
Minnesota-South Dakota Equipment Dealers Association
Montana Equipment Dealers Association
National Asphalt Pavement Association
National Association of Manufacturers
National Automobile Dealers Association/American Truck Dealers
National Stone, Sand & Gravel Association
National Cable & Telecommunications Association
North American Equipment Dealers Association
North Dakota Implement Dealers Association
Northeast Equipment Dealers Association, Inc.
Northrop Grumman Corporation

NUCA - Representing Utility & Excavation Contractors
Ohio Aggregates & Industrial Minerals Association
Ohio Contractors Association
Ohio Equipment Distributors Association
Ohio-Michigan Equipment Dealers Association
Oklahoma Associated Equipment Distributors
Peabody Energy
Raytheon Company
Rockwell Collins
SouthEastern Equipment Dealers Association
SouthWestern Equipment Dealers Association
TechAmerica
The Boeing Company
The Goodyear Tire & Rubber Company
The Shaw Group
Time Warner Cable
T-Mobile
U.S. Chamber of Commerce
Uni-Bell PVC Pipe Association
USTelecom Association
Verizon
Volvo Group North America
Water and Wastewater Equipment Manufacturers Association, Inc.
West Tennessee Branch of the Associated General Contractors
Western Business Roundtable
Xerox