



September 8, 2021

Honorable Richard E. Neal  
Chairman, House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Neal:

The undersigned organizations representing millions of individually- and family-owned businesses strongly urge you to reject any measures that would raise taxes on Main Street employers as part of the upcoming reconciliation bill.

Individually- and family-owned businesses are the cornerstone of the American economy. They represent nearly all businesses, they employ the vast majority of private sector workers, and they are the building block upon which innumerable communities across this country are built.

The package of tax hikes being considered by the Biden administration and Congress represents a direct assault on these employers. Proposals to raise rates on pass-throughs and C corporations, cap the Section 199A deduction, increase the capital gains tax, and impose capital gains at death would raise taxes on Main Street businesses when they operate, when they are sold, and when they are passed on to the next generation.

This triple threat would lock in unprecedented levels of government spending and taxes that would handicap these businesses, and the communities that rely upon them, for decades to come. They would also violate the President's pledge not to raise taxes on individuals making less than \$400,000 a year. Many individual and family business owners that make less than \$400,000, including the 1.4 million private C corporation owners, family businesses with ownership shares held in trust, and entrepreneurs selling their business after a lifetime of work, will be directly harmed by these tax increases.

As inflation and unemployment remain stubbornly high, Main Streets across the country remain boarded up, their businesses closed and their workers idle. Estimates suggest up to one-third of all private businesses have closed their doors during the COVID-19 lockdowns, with more joining them every day.

Congress should avoid tax policies that harm Main Street employers at any time, much less at this difficult moment in our nation's history. The Biden tax hikes pose a triple threat to the ability of these individually- and family-owned businesses to survive an uncertain future, and we urge Congress to reject them.

Sincerely,

Agricultural Retailers Association  
Air Conditioning Contractors of America  
American Bakers Association  
American Council of Engineering Companies  
American Farm Bureau Federation  
American Financial Services Association  
American Foundry Society  
Associated General Contractors of America  
American Hotel & Lodging Association  
American International Automobile Dealers Association  
American Lighting Association  
American Mold Builders Association  
American Pipeline Contractors Association  
American Supply Association  
Asian American Hotel Owners Association  
Associated Builders and Contractors  
Associated Equipment Distributors  
Association of the Wall and Ceiling Industry  
Auto Care Association  
Coalition of Franchisee Associations  
Construction Industry Round Table  
Customized Logistics and Delivery Association  
Distribution Contractors Association  
Energy Marketers of America  
Family Business Coalition  
Financial Executives International  
FMI - the Food Industry Association  
Foodservice Equipment Distributors Association  
Foundry Association of Michigan  
Franchise Business Services  
GAWDA  
Glass Packaging Institute (GPI)  
Global Cold Chain Alliance  
Heating, Air-conditioning, & Refrigeration Distributors International  
ICSC  
Independent Bakers Association  
Independent Community Bankers of America  
Independent Electrical Contractors  
Independent Insurance Agents and Brokers of America  
Independent Lubricant Manufacturers Association  
Indiana Cast Metals Association  
Industrial Fasteners Institute  
International Association of Plastics Distribution  
International Foodservice Distributors Association  
International Franchise Association  
International Sign Association

International Warehouse Logistics Association  
Irrigation Association  
Main Street Employers Coalition  
Manufactured Housing Institute  
Material Handling Equipment Distributors Association  
Mortgage Bankers Association  
Metalcasters of Minnesota  
Metals Service Center Institute  
National Apartment Association  
National Association of Convenience Stores  
National Association of Electrical Distributors  
National Association of Home Builders  
National Association of Insurance and Financial Advisors  
National Association of Professional Insurance Agents  
National Association of Sporting Goods Wholesalers  
National Association of Truckstops Operators  
National Association of Wholesaler-Distributors  
National Automatic Merchandising Association (NAMA)  
National Beer Wholesalers Association  
National Cattlemen's Beef Association  
National Confectioners Association  
National Cotton Council  
National Electrical Contractors Association  
NATIONAL ELECTRICAL MANUFACTURERS REPRESENTATIVES ASSOCIATION (NEMRA)  
National Federation of Independent Business (NFIB)  
National Franchisee Association  
National Grocers Association  
National Independent Automobile Dealers Association (NIADA)  
National Lumber & Building Material Dealers Association  
National Marine Distributors Association  
National Multifamily Housing Council  
National Onion Association  
National Propane Gas Association  
National Ready Mixed Concrete Association  
National Roofing Contractors Association  
National RV Dealers Assoc (RVDA)  
National Small Business Association  
National Stone, Sand & Gravel Association  
National Tooling and Machining Association  
National Utility Contractors Association  
National Waste & Recycling Association  
North American Association of Food Equipment Manufacturers (NAFEM)  
North American Die Casting Association  
Ohio Cast Metals Association  
Outdoor Power Equipment and Engine Service Association  
Petroleum Equipment Institute (PEI)  
Plastics Industry Association  
Plastics Pipe Institute  
Plumbing-Heating-Cooling Contractors—National Association

Policy and Taxation Group  
Power and Communication Contractors Association  
Precision Machined Products Association  
Precision Metalforming Association  
PRINTING United Alliance  
Real Estate Roundtable  
Reserve Organization of America (ROA)  
Retail Bakers of America  
S Corporation Association  
Service Station Dealers and Allied Trades  
Small Business & Entrepreneurship Council  
Society of Collision Repair Specialists (SCRS)  
Society of Independent Gasoline Marketers of America  
Southeastern Lumber Manufacturers Association  
Specialty Equipment Market Association  
Spray Polyurethane Foam Alliance  
Subchapter S Bank Association  
Texas Cast Metals Association  
The Association for Hose and Accessories Distribution  
The Council of Insurance Agents & Brokers  
The Hardwood Federation  
The Wholesale Florist and Florist Supplier Association  
Tile Roofing Industry Alliance  
Tire Industry Association  
Truck Renting and Leasing Association  
USA Rice  
Western Equipment Dealers Association  
Wine & Spirits Wholesalers of America