



April 16, 2021

The Honorable Ron Wyden
Chairman
Senate Committee on Finance
221 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member
Senate Committee on Finance
239 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Richard Neal
Chairman
House Committee on Ways and Means
372 Cannon House Office Building
Washington, D.C. 20515

The Honorable Kevin Brady
Ranking Member
House Committee on Ways and Means
1011 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Wyden, Ranking Member Crapo, Chairman Neal and Ranking Member Brady:

The National Demolition Association (NDA) represents nearly 500 U.S. and Canadian companies that offer standard demolition services as well as a full range of demolition-related services and products. NDA educates members on the latest advances in equipment and services, provides educational programs and tools to stay abreast of regulatory and safety matters and keeps regulators informed about issues in our industry. NDA also increases public awareness of the economic and societal benefits of demolition.

I am writing today in regards to President Biden's recently introduced Made in America Tax Plan which would make several changes to the U.S. tax code and impact businesses across the country. NDA has reviewed the President's plan and would like to provide your committees with specific policy recommendations should Congress consider tax legislation later this year. NDA believes these recommendations will keep America's economic recovery on track and sustain job growth into the future.

A fair and workable tax code is essential to the success of American business. Federal tax policy needs to grow and maintain the competitiveness of America's businesses. Most demolition contractors conduct business in such a way that their income is taxed at the individual level, commonly referred to as pass-through entities. These small and medium-sized employers would be significantly affected by higher marginal tax rates, taxes and fees on assets, and other confiscatory proposals. Over one half of the private sector workforce is employed by pass-through entities and higher taxes affect the job market. NDA supports a simplified tax code that does not place an unnecessary burden on job-creating member companies.

With this in mind, NDA recommends the following tax policies for your committees to consider later this year:

- Oppose any attempts to weaken or repeal the Tax Cuts and Jobs Act.
- Oppose increases to personal income tax rates that are also tax hikes on the many small businesses that are structured as pass-through entities (S-Corporations, partnerships, and sole proprietorships).
- Support tax policy that continues to provide for accelerated and bonus depreciation which

- incentivizes capital investments, as well as new and used equipment purchases.
- Support the recent changes to the tax code that doubles the combined gift and estate tax exemption and the generation-skipping transfer (GST) tax exemption, from \$5.49 million for 2017 to \$11.18 million for 2018. NDA supports the permanent repeal of the estate tax.
 - Support continued alterations to the tax code that will boost the US economy and provide much needed relief to small and medium sized businesses and their assets.
 - Support legislative efforts to provide employers with tax incentives, access to low-interest loans, and other financial relief measures during national health emergencies.

The demolition industry stands ready to help lead the nation's recovery and keep our economy strong. NDA will be following up with your committees and the Biden administration in the coming months as the details surrounding tax reform become clearer.

Thank you for the opportunity to provide comment and we look forward to working with you on these important priorities. Please contact NDA's Director of Government Affairs Kevin McKenney at kmckenney@demolitionassociation.com with any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lambert", is written over a light gray rectangular background.

Jeff Lambert
CEO
National Demolition Association