June 18, 2019

The Honorable Richard Neal
Chairman
House Ways and Means Committee
1102 Longworth House Office Building
Washington D.C. 20515

The Honorable Kevin Brady
Ranking Member
House Ways and Means Committee
1139 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Neal and Ranking Member Brady,

On behalf of America’s family owned and operated businesses, we are writing to express concern with the recently proposed extenders package, “The Taxpayer Certainty and Disaster Relief Act.” This legislation rolls back the positive changes made to estate, gift, and generation skipping taxes in the Tax Cuts and Jobs Act.

This proposed change pulls the rug out from family owned businesses and farms that have recently adjusted their succession plans to reflect the new law and causes more uncertainty for businesses hoping to pass to the next generation. The bill in its current form more than doubles the amount of taxpayers subject to the death tax starting in 2023.

This year, over 150 small business and advocacy organizations wrote Congress in support of Congressmen Jason Smith (R-MO) and Sanford Bishop’s (D-GA) Death Tax Repeal Act, H.R. 218. That letter is attached for your consideration. To many organizations representing family owned and operated businesses, rolling back the positive changes made in the Tax Cuts and Jobs Act is unacceptable.

Signed,

Family Business Coalition
February 20, 2019

Senator John Thune  
511 Dirksen Senate Office Building  
Washington, DC 20510

Congressman Jason Smith  
2418 Rayburn House Office Building  
Washington, D.C. 20515

Dear Senator Thune and Congressman Smith:

The undersigned organizations support your bill, the Death Tax Repeal Act.

We appreciate your work to lead the country towards a common sense tax code that does not impose a destructive double or triple tax at death. We support full and permanent repeal of the federal estate tax for the following reasons:

**Repealing the death tax would spur job creation and grow the economy.** Many studies have quantified the potential job growth that would result from estate tax repeal. In 2017, the Tax Foundation found that the US could create over 150,000 jobs by repealing the estate tax. A 2012 study by the House Joint Economic Committee found that the death tax has destroyed over $1.1 trillion of capital in the US economy – loss of small business capital means fewer jobs and lower wages. Lawrence Summers, former Secretary of the Treasury under President Clinton; Alicia Munell, member of President Clinton's Council of Economic Advisors; Joseph Stiglitz, a Nobel laureate for economics; and Douglas Holtz-Eakin, former CBO Director have all published work on the death tax's stifling effect on job growth and the economy as a whole.

**The death tax contributes a very small portion of federal revenues.** The estate tax currently accounts for approximately one half of one percent of federal revenue. A 2016 Tax Foundation analysis found repeal of the death tax would increase federal income taxes by $145 billion over 10 years using a more realistic, “dynamic” economic analysis. In addition, the death tax forces family businesses to waste money on expensive insurance policies and estate planning. These burdensome compliance costs make it even harder for business owners to expand their businesses and create more jobs.

**A super-majority of likely voters support eliminating the death tax.** Poll after poll has indicated that a super-majority of likely voters support repealing the estate tax. Typically, two-thirds of likely voters support full and permanent repeal of the death tax. People instinctively feel that the estate tax is not fair. A 2017 NPR/Ipsos Poll found that 65 percent of respondents favored repealing the estate tax, including 51 percent of self-identified Democrats polled.

**The death tax is unfair.** It makes no sense to require grieving families to pay a confiscatory tax on their loved one’s nest egg. Far too often this tax is paid by selling family assets like farms and businesses. Other times, employees of the family business must be laid off and payrolls slashed. No one should be punished for fulfilling the American dream.
The negative effects of the estate tax make permanent repeal the only solution for family businesses and farms. Your legislation will help America’s family businesses create jobs, expand operations, and grow the economy. We thank you for your leadership on this important issue.

Signed,

AMT – The Association For Manufacturing Technology
Food Marketing Institute
Agricultural Retailers Association

Heating, Air-conditioning, & Refrigeration Distributors International
National Association of Electrical Distributors
National Lumber & Building Material Dealers Association

National Cattleman’s Beef Association
American Supply Association
National Cotton Council of America

International Franchise Association
National Grocers Association
Associated Equipment Distributors

ALEC Action
Hardwood Federation
National Confectioners Association
Land Improvement Contractors of America
American Horse Council
Center for Freedom and Prosperity
Franchise Business Services (representing Buffalo Wild Wings franchisees)
Tire Industry Association
Printing Industries of America
National Pasta Association
Kentucky Forest Industries Association
Independent Medical Distributors Association
Hispanic Leadership Fund
NPES The Association for Suppliers of Printing, Publishing and Converting Technologies
Irrigation Association
NACS – The Association for Convenience and Fuel Retailing
National Candle Association
International Association of Refrigerated Warehouses
Rural & Agriculture Council of America
American Moving & Storage Association
American Rental Association
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<td>Water &amp; Sewer Distributors of America</td>
<td>National Wooden Pallet &amp; Container Association</td>
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<td>Independent Electrical Contractors</td>
<td>National Association of RV Parks &amp; Campgrounds (ARVC)</td>
<td>NTEA – The Association for the Work Truck Industry</td>
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<td>National Renderers Association</td>
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<td>NATSO, Representing America's Travel Plazas and Truckstops</td>
<td>Metals Service Center Institute</td>
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<td>National Franchisee Association (representing Burger King franchisee)</td>
<td>Competitive Enterprise Institute</td>
<td>Sazerac</td>
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<td>Service Station Dealers of America and Allied Trades (SSDA-AT)</td>
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