

April 1, 2010

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

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

The Honorable John Boehner
Republican Leader
U.S. House of Representatives
Washington, D.C. 20515

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

**RENEW BONUS DEPRECIATION TO
SUPPORT ECONOMIC RECOVERY AND CREATE JOBS**

Dear Speaker Pelosi, Majority Leader Reid, and Republican Leaders McConnell and Boehner:

The undersigned national organizations urge you to work in a bipartisan manner to renew the recently expired bonus depreciation law through at least 2010.

While the HIRE Act signed by President Obama on March 18 renewed the increased Sec. 179 expensing levels for this year, the temporary 50 percent bonus depreciation lapsed at the end of 2009 and has not been restored.

Enhanced Sec. 179 will have a positive economic impact. However, because the law limits expensing to \$250,000, the direct beneficiaries are primarily smaller businesses. Bringing back bonus depreciation will encourage companies of all sizes to invest in newer, more efficient, and more environmentally-friendly equipment, which will help large and small businesses alike. In the manufacturing sector, for example, many smaller companies produce custom-made equipment that is often sold to larger companies ineligible for Sec. 179, but which could claim bonus depreciation. The two capital investment incentives work well in concert. Both are sorely needed now to help spur sales and create jobs.

Reinstating bonus depreciation will help inoculate the economy against a backward slide in business capital investment in the months ahead, enhance the impact and benefits of other job creation legislation (e.g., infrastructure investment), encourage recovery in fragile, capital-intensive sectors of the economy (e.g., construction and manufacturing), and, most significantly, put Americans back to work.

For all the foregoing reasons, we urge you to restore bonus depreciation for at least one year.

Thank you for your consideration of our comments.

Sincerely,

Aeronautical Repair Station Association
Aerospace Industries Association
Air Conditioning Contractors of America
Aluminum Association
American Composites Manufacturers Association
American Concrete Pavement Association
American Concrete Pipe Association
American Concrete Pressure Pipe Association
American Concrete Pumping Association
American Council of Engineering Companies
American Gas Association
American Institute of Architects
American Iron and Steel Institute
American Lighting Association
American Machine Tool Distributors' Association
American Rental Association
American Road and Transportation Builders Association
American Society of Travel Agents
American Sportfishing Association
American Traffic Safety Services Association
AMT-The Association for Manufacturing Technology
Associated Builders and Contractors
Associated Equipment Distributors
Associated General Contractors of America
Association of American Railroads
Association of Equipment Manufacturers
Composite Can & Tube Institute
CTIA – The Wireless Association
Edison Electric Institute
European-American Business Council
Financial Executives International's Committee on Taxation
General Aviation Manufacturers Association
Heating, Airconditioning & Refrigeration Distributors International
INDA, Association of the Nonwoven Fabrics Industry
Industrial Fasteners Institute
Interlocking Concrete Pavement Institute
International Franchise Association
International Housewares Association
Metal Powder Industries Federation

Metals Service Center Institute
National Asphalt Pavement Association
National Association of Chemical Distributors
National Association of Manufacturers
National Automatic Merchandising Association
National Automobile Dealers Association/American Truck Dealers
National Business Aviation Association
National Concrete Masonry Association
National Council for Advanced Manufacturing
National Electrical Contractors Association
National Federation of Independent Business
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Mining Association
National Precast Concrete Association
National Ready Mixed Concrete Association
National Retail Federation
National Shooting Sports Foundation, Inc.
National Stone, Sand & Gravel Association
National Tooling & Machining Association
North American Equipment Dealers Association
NPES - The Association for Suppliers of Printing, Publishing and Converting Technologies
Nuclear Energy Institute
Plastic Pipe and Fittings Association
Portland Cement Association
Precision Machined Products Association
Precision Metalforming Association
Pressure Sensitive Tape Council
Printing Industries of America
Society of Chemical Manufacturers & Affiliates
Society of Glass and Ceramic Decorated Products
Specialty Equipment Market Association
SPI: The Plastics Industry Trade Association
Sporting Arms and Ammunition Manufacturers' Institute, Inc.
Spring Manufacturers Institute
Tooling and Manufacturing Association
The Uni-Bell PVC Pipe Association
U.S. Chamber of Commerce
United States Telecom Association
The Vinyl Institute
Water and Wastewater Equipment Manufacturers Association, Inc.
Window & Door Manufacturers
Wood Machinery Manufacturers of America