

Contractors have benefited from and come to count on the tax code's reliable treatment of R&D expenses for more than half a century. The inadvertent application of a policy that was never meant to go into effect has stuck business owners with unanticipated tax bills that will hinder cash flow as interest rates rise and credit tightens.

Further, failing to extend the 100% bonus depreciation would have a significant impact on the construction industry at a fraught time for the U.S. economy. For the past five years, under the Tax Cuts and Jobs Act, construction businesses have been able to expense or write off the purchase of tools, equipment and machinery the same year in which they were purchased. Preserving this provision will be essential to guaranteeing the success of key construction projects funded by bipartisan congressional legislation, including the Infrastructure Investment and Jobs Act and the CHIPS Science Act.

ABC urges Congress to swiftly enact the Build It in America Act and appreciates the committee's consideration of our concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristen Swearingen", is written over a blue and white patterned background that resembles a musical staff or a decorative graphic.

Kristen Swearingen
Vice President, Legislative & Political Affairs