

The Honorable Ron Wyden  
Chairman  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Richard Neal  
Chairman  
Committee on Ways and Means  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Mike Crapo  
Ranking Member  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Kevin Brady  
Ranking Member  
Committee on Ways and Means  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

February 26, 2021

Dear Chairmen Wyden and Neal, and Ranking Members Crapo and Brady:

The undersigned business groups strongly support H.R. 1381 and S. 480, the Main Street Tax Certainty Act of 2021, to make permanent the Section 199A 20-percent deduction for qualified business income.

Led by Representatives Jason Smith (MO) and Henry Cuellar (TX) in the House, and Senators Steve Daines (MT), Bill Cassidy (LA), Tim Scott (SC), and Rob Portman (OH) in the Senate, this bipartisan legislation will help ensure permanent tax parity for the millions of employers organized as S corporations, partnerships and sole proprietorships. It will also provide certainty to the countless businesses who have been devastated by the COVID-19 pandemic.

Individually- and family-owned businesses are the backbone of the American economy – they employ the majority of private-sector workers and represent 95 percent of all businesses. Despite the economic importance of the pass-through sector, however, Section 199A is scheduled to sunset at the end of 2025.

These businesses have been hard hit by the COVID-19 pandemic and resulting shutdown policies. According to Yelp's Local Economic Impact Report, a majority of businesses closed during the pandemic will not reopen, while small business revenues overall have declined by more than 30 percent in the past year.

Making the 199A deduction permanent will help millions of these pass-through businesses during this very difficult time, leading to higher economic growth and more employment. Analysis by economists Robert Barro and Jason Furman found that, among other provisions, making the pass-through deduction permanent would result in significantly increased economic growth in the coming years. The American Action Forum found similar results.

The sooner Congress acts to make Section 199A permanent, the sooner Main Street employers – and the broader economy – will benefit.

We appreciate your consideration of this important legislation.

Sincerely,

AMAC Action  
American Council of Engineering Companies  
American Farm Bureau Federation  
American Foundry Society  
American Institute of Architects  
American Mold Builders Association  
American Supply Association  
Associated Builders and Contractors  
Associated Equipment Distributors  
Associated General Contractors of America  
Auto Care Association  
CCIM Institute  
Family Business Coalition  
FEUSA  
Financial Executives International  
FMI - the Food Industry Association  
Foodservice Equipment Distributors Association  
Forest Landowners Association  
Forest Resources Association  
GAWDA  
Glass Packaging Institute (GPI)  
Global Cold Chain Alliance  
Heating, Air-conditioning, & Refrigeration Distributors International  
Independent Community Bankers of America  
Independent Electrical Contractors  
Independent Insurance Agents and Brokers of America  
Industrial Fasteners Institute  
Institute of Real Estate Management  
Institute of Scrap Recycling Industries, Inc  
International Association of Plastics Distribution  
International Council of Shopping Centers  
International Franchise Association  
International Housewares Association  
International Sign Association  
Manufactured Housing Institute  
Manufacturer & Business Association  
Metals Service Center Institute  
NACS  
Nareit  
National Apartment Association  
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 REALTORS®  
National Association of Sporting Goods Wholesalers  
National Association of Wholesaler-Distributors  
National Automatic Merchandising Association  
National Automobile Dealers Association  
National Beer Wholesalers Association  
National Community Pharmacists Association  
National Electrical Contractors Association  
National Grocers Association  
National Insulation Association  
National Lumber & Building Material Dealers Association  
National Multifamily Housing Council  
National Onion Association  
National Restaurant Association  
National Roofing Contractors Association  
National RV Dealers Association (RVDA)  
National Small Business Association  
National Tooling and Machining Association  
National Waste & Recycling Association  
NFIB  
NMDA  
North American Association of Food Equipment Manufacturers (NAFEM)  
North American Die Casting Association  
OPEESA  
Parity for Main Street Employers  
Precision Machined Products Association  
Precision Metalforming Association  
PRINTING United Alliance  
S Corporation Association  
Service Station Dealers of America and Allied Trades  
Small Business & Entrepreneurship Council  
Southeastern Lumber Manufacturers Association  
Specialty Equipment Market Association  
The Real Estate Roundtable  
Tile Roofing Industry Alliance  
Tire Industry Association  
U.S. Chamber of Commerce  
United Fresh Produce Association  
Wine & Spirits Wholesalers of America  
Wisconsin Grocers Association