

December 5, 2012

The Honorable John Boehner
Speaker of the House of Representatives
The U.S. Capitol
Washington, D.C. 20515

The Honorable Nancy Pelosi
House Minority Leader
The U.S. Capitol
Washington, D.C. 20515

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

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

Dear Congressional Leaders:

The undersigned companies and associations strongly support and ask for immediate action to extend the current 50% bonus depreciation (with the correction for companies required to use the Percentage of Completion Method of accounting (PCM)) and the comparable treatment of Alternative Minimum Tax (AMT) in lieu of bonus depreciation before they expire at the end of 2012. This extension will provide an immediate incentive for businesses to make new capital investments in the United States, boosting the U.S. economy and job creation in 2013.

As a recent *Wall Street Journal* article "Investment Falls Off a Cliff" highlighted, overall U.S. investment has rapidly declined every quarter since the third quarter of 2011, and actually contracted by 1.3% in the latest quarter of this year. Investments in equipment and software, as well as structures, also continue to wane. Further, nearly half of the nation's 40 biggest publicly traded corporate investors have already announced plans to curtail capital expenditures over the next year, according to a *Wall Street Journal* review.

While it is too late to impact investments made in 2012, it is imperative that we continue the 50% percent bonus depreciation with the PCM correction and the comparable treatment of AMT in lieu of bonus depreciation for 2013. This will provide some certainty to U.S. businesses to allow them to continue to make capital investments, which in turn will create more jobs and help ward off a possible recession in 2013. Enactment of this provision is even more important given the other uncertainties that continue to linger with our U.S. tax code, while at the same time is one of the more cost effective measures that Congress can enact to spur economic growth.

At this critical juncture of our economy, extension of the 50% bonus depreciation and the comparable treatment of AMT in lieu of bonus could be the exact bi-partisan policy needed to accelerate investment, create jobs and ensure our economy continues towards a positive recovery.

Because of the importance of this measure to U.S. economic growth and competitiveness, we strongly urge you to support immediate action on this pro-growth, pro-jobs provision. Thank you in advance for your support.

Sincerely,

Aeronautical Repair Station Association
Air Conditioning Contractors of America
Airlines for America

American Airlines
American Concrete Pressure Pipe Association
American Council of Engineering Companies
American Road & Transportation Builders Association
American Traffic Safety Services Association
American Trucking Association
AMT - The Association For Manufacturing Technology
Arch Coal Incorporated
Associated Builders & Contractors
Associated Equipment Distributors
Associated General Contractors of America
Association of American Railroads
Association of Equipment Manufacturers
AT&T
Burris Equipment
Caterpillar Inc.
CenturyLink
Consolidated Communications
Comcast
Cox Enterprises, Inc.
CMS Energy
CTIA – The Wireless Association
Deep South Equipment Dealers Association
Distribution Contractors Association
Embraer Aircraft Holding, Inc.
FairPoint Communications
Fiber to the Home Council
General Aviation Manufacturers Association
General Dynamics Corporation
General Motors Company
Hawker Beechcraft Corporation
Interlocking Concrete Pavement Institute
Interstate Natural Gas Association of America
Iowa-Nebraska Equipment Dealers Association
Lockheed Martin Corporation
Material Handling Equipment Distributors Association
Mid-America Equipment Retailers Association
Montana Equipment Dealers Association
National Asphalt Pavement Association
National Association of Manufacturers
National Automobile Dealers Association/American Truck Dealers
National Business Aviation Association
National Cable & Telecommunications Association
National Electrical Contractors Association
National Solid Wastes Management Association
National Stone, Sand & Gravel Association
North American Equipment Dealers Association
Northeast Equipment Dealers Association, Inc.
Northrop Grumman Corporation
NUCA - Representing Utility & Excavation Contractors
Ohio Equipment Distributors Association

Ohio-Michigan Equipment Dealers Association
PVC Pipe Association
Republic Services
Revere Data, LLC
Rockwell Collins
SouthWestern Association Equipment Dealers
Spectra Energy Corp
T-Mobile
TechAmerica
TeleCommunication Systems
The American Institute of Architects
The Boeing Company
The Goodyear Tire & Rubber Company
Time Warner Cable
Truck Renting and Leasing Association
U.S. Chamber of Commerce
United States Telecom Association
Verizon
Volvo Group North America
Waste Equipment Technology Association
Water and Wastewater Equipment Manufacturers Association, Inc.
West Tennessee Branch of the Associated General Contractors
Western Business Roundtable
Windstream Communications

cc: Members of Congress