



March 15, 2016

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
S-230, United States Capitol
Washington, DC 20510

CC: Senator Thune, Majority Whip John Cornyn, Senator Orrin Hatch, Congressman Kevin Brady, Speaker Paul Ryan

Dear Senator McConnell:

The undersigned organizations support a Senate vote on H.R. 1105, the House passed *Death Tax Repeal Act of 2015*.

The House of Representatives passed Congressman Brady's (R-TX) *Death Tax Repeal Act of 2015* on a bipartisan basis last April which marked the first time in ten years that either body of Congress was put on the record on this important issue. This year, we urge the Senate to take the next step in the legislative process by bringing the House passed legislation to the floor for a vote. Senator Thune's (R-SD) mirror legislation to the House passed bill, S.860, has already amassed support from the majority of the Republican caucus. 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 job losses caused by the estate tax. A recent Tax Foundation study 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 estate 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 estate 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 less than one percent of federal revenue. There is a good argument that not collecting the estate tax would create more economic growth and lead to an increase in federal revenue from other taxes. A 2016 Tax Foundation analysis found repeal of the estate tax would increase federal revenues by \$3.3 billion per year using a more realistic macroeconomic analysis. In addition, the estate 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.

The death tax falls particularly hard on minorities. The estate tax threatens to confiscate generational capital from African-American and minority communities. Estate tax liabilities

bankrupted the Chicago Defender – the oldest black-owned daily newspaper in the United States – and will reduce net African-American wealth by 13 percent, according to a study conducted by Boston College professors John Haven and Paul Schervish. According to a 2004 Impacto Group poll, 50 percent of Hispanic business owners know someone who sold their business to pay the estate tax and a quarter expect to sell their business because of the estate tax.

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 estate tax. People instinctively feel that the estate tax is not fair.

The death tax is unfair. It makes no sense to require grieving families to pay a confiscatory tax on their loved one's lifetime savings. 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. Repealing the estate tax will help America's family businesses create jobs, expand operations, and grow the economy. We thank you for your continued leadership on this important issue.

Signed,



AMT – The Association for
Manufacturing Technology



American Dental Association



International Franchise
Association



Heating, Air-conditioning, &
Refrigeration Distributors
International



Food Marketing Institute



American Wholesale
Marketers Association



American Supply Association



National Association of
Electrical Distributors



Agricultural Retailers
Association



Associated Equipment
Distributors



National Cotton Council of
America



National Lumber and Building
Material Dealers Association



National Council of Farmer Cooperatives



North American Meat Institute



Association of Mature American Citizens



Forest Landowners



Industrial Minerals Association – North America



National Automatic Merchandising Association



American Trucking Association



Hardwood Federation



American Rental Association



Associated Builders and Contractors, Inc.



International Sleep Products Association



NTCA–The Rural Broadband Association



Associated General Contractors of America



National Confectioners Association



Americans for Tax Reform



National Association of Home Builders



National Taxpayers Union



National Insulation Association



AmericanHort (American Horticulture Industry Association)



Mason Contractors Association of America



American International Automobile Dealers Association



Heritage Action for America



Tire Industry Association



American Foundry Society



National Industrial Sand Association



American Architectural Manufacturers Association



NACS – The Association for Convenience and Fuel Retailing



Window & Door Manufacturers Association



Industrial Supply Association



Aeronautical Repair Station Association



American Business Defense Council



National Community Pharmacists Association



International Foodservice Distributors Association



ISSA – The Worldwide Cleaning Industry Association



United Fresh Produce Association



National Electrical Contractors Association



North American Die Casting Association



North American Equipment Dealers Association



Americans for Prosperity



Club for Growth



National Propane Gas Association



National Funeral Directors Association



International Association of Plastics Distribution



United States Cattlemen's Association



INTERNATIONAL SIGN ASSOCIATION
International Sign Association



Auto Care Association



National Black Chamber of Commerce



National Small Business Association



International Housewares Association



Petroleum Marketers Association of America



American Conservative Union



Professional Beauty Association



Materials Handling Equipment Distributors Association



Service Station Dealers of America and Allied Trades



Printing Industries of America



Truck Renting and Leasing Association



National Milk Producers Federation



Small Business & Entrepreneurship Council



Let Freedom Ring



American Beverage Licensees



Woodworking Machine Industry Association



NPES – The Association for Suppliers of Printing, Publishing and Converting Technologies



Irrigation Association



Wine & Spirit Wholesalers of America



National Grange



Associated Wire Rope Fabricators



American Loggers Council



NAHAD – The Association for Hose and Accessories Distribution



Plumbing-Heating-Cooling Contractors Association



WMDA Service Station & Automotive Repair Association



The Dude Ranchers' Association



R-Street Institute



Forest Landowners Tax Council



Hispanic Leadership Fund



International Association of Refrigerated Warehouses



American Bus Association



American Horse Council



Center for Freedom and Prosperity



Global Cold Chain Alliance



American Commitment



Log Cabin Republicans



Free Congress Action



American Moving & Storage Association



National Association for the Self-Employed



Independent Electrical Contractors



National Association of RV Parks & Campgrounds



NTEA – The Association for the Work Truck Industry



U.S. Business and Industry Council



NATSO, Representing America's Travel Centers and Truckstops



National Christmas Tree Association



National Tax Limitation Committee



Competitive Enterprise Institute



Taxpayer Protection Alliance



60 Plus Association



Campaign for Liberty



Less Government



Council for Citizens Against Government Waste



American Civil Rights Union



American Values

Maryland Taxpayers Association

Americans for Constitutional Action