

December 13, 2016

The Honorable Kevin Brady
Chairman
U.S. House of Representatives
Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
U.S. House of Representatives
Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

RE: Comprehensive Tax Reform and the Border Adjustability Tax

Dear Chairman Brady and Ranking Member Neal:

We, the undersigned associations, representing small and large businesses, tens of millions of U.S. workers, and hundreds of millions of consumers, are writing to express our strong interest in consideration of comprehensive tax reform that will increase investment in the United States, raise real wages, and increase consumer spending.

However, we do have concerns with the “border adjustability tax” provision included in the House tax reform blueprint. Companies that rely on global supply chains would face huge business challenges caused by increased taxes and increased cost of goods, which would in turn likely result in reductions in employment, reduced capital investments and higher prices for consumers.

We stand ready to work with Congress and the Administration on a pro-growth comprehensive tax reform that can work for all segments of the American economy. We believe the Better Way Tax Reform proposal, without the border adjustment provision, can provide the basis for the strong economic growth we all seek without harming our businesses and burdening our consumers with higher prices.

Sincerely,

Alliance of Automobile Manufacturers
Alliance of Wisconsin Retailers
American Apparel & Footwear Association (AAFA)
American Beverage Licensees
American Fuel & Petrochemical Manufacturers
American Import Shippers Association
American International Automobile Dealers Association
Arizona Retailers Association
Arkansas Grocers and Retail Merchant Association
Associated Oregon Industries Retail Council
Association of Food Industries
Association of Global Automakers
Auto Care Association
Automotive Aftermarket Association Southeast, Inc.
Automotive Parts & Services Association
California Retailers Association
CAWA – Representing the Automotive Parts Industry
Colorado Retail Council

Connecticut Retail Merchants Association
Consumer Technology Association (CTA)
Fashion Accessories Shippers Association (FASA)
Fashion Jewelry & Accessories Trade Association
Florida Retail Federation
Food Marketing Institute
Footwear Distributors & Retailers of America (FDRA)
Gemini Shippers Association
Georgia Retail Association
Halloween Industries Association
Idaho Retailers Association
Illinois Retail Merchants Association
Indiana Retail Council
International Wood Products Association
Iowa Retail Federation
Juvenile Products Manufacturers Association
Kansas Chamber of Commerce
Kentucky Retail Federation
Louisiana Retailers Association
Maryland Retailers Association
Michigan Retailers Association
Minnesota Retailers Association
Mississippi Retail & Grocers Association
Missouri Retailers Association
Montana Retail Association
Motor & Equipment Manufacturers Association
National Association of Beverage Importers
National Association of Chain Drug Stores
National Automobile Dealers Association
National Retail Federation
Nebraska Retail Federation
New Hampshire Retail Association
New Jersey Retail Merchants Association
North Carolina Retail Merchants Association
North Dakota Petroleum Marketers Association
North Dakota Propane Gas Association
North Dakota Retail Association
Ohio Council of Retail Merchants
Oklahoma Retail Merchants Association
Pennsylvania Retailers' Association
Promotional Products Association International (PPAI)
Retail Association of Maine
Retail Council of New York State
Retail Industry Leaders Association
Retailers Association of Massachusetts
Rhode Island Retail Federation
South Carolina Retail Association
South Dakota Retailers Association
Sports & Fitness Industry Association

Tennessee Retail Association
Texas Association of Manufacturers
Texas Retailers Association
Toy Industry Association
Travel Goods Association (TGA)
U.S. Fashion Industry Association
Utah Petroleum Association
Utah Retail Merchants Association
Utah Food Industry Association
Virginia Retail Federation
Washington Retail Association
West Virginia Retailers Association
Wine & Spirits Wholesalers of America
Wyoming Retail Industry

cc: House Ways & Means Committee Members