



John W. McClelland, Ph.D.
Vice President, Government Affairs

1101 Vermont Ave. NW, Suite 400
Washington, D.C. 20005
202-289-4460 Phone
202-289-4461 Fax
John.McClelland@ararental.org

June 9, 2014

The Honorable Dave Camp
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, DC 20151

The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
United States House of Representatives
Washington, DC 20151

Dear Chairman Camp and Ranking Member Levin:

I am writing on behalf of the American Rental Association (ARA) to reiterate the strong support contained in our letter of April 28, 2014 for H.R. 4457, *America's Small Business Tax Relief Act of 2014*. ARA represents more than 4,000 members in the United States who rent heavy equipment, tools, and party and event goods and services from more than 9,000 locations across the country. The vast majority of our members are small, independent, family-owned businesses.

ARA members have expressed concerns with the expiration of Section 179 provisions on December 31, 2013, that reduced the allowable expensing level from \$500,000 to \$25,000 and lowered the phase-out cap from \$2,000,000 to \$200,000. This has created significant uncertainty for ARA members and other small businesses. H.R. 4457 restores the \$500,000/\$2,000,000 expensing and phase-out levels that were operative throughout 2013, makes them permanent and indexes both levels for inflation.

Section 179 is already permanent tax policy. However, after more than 10 years of temporary changes to the expensing and phase-out levels it is time to permanently amend this policy to reflect the current economic realities of capital expenditures for America's small businesses. Equipment and the imbedded technology that keeps small businesses competitive have increased in cost over the past two decades. ARA supports H.R. 4457 because it eliminates uncertainty by making the provision permanent and indexed for inflation, and it makes capital more affordable for small businesses. H.R. 4457 has strong bipartisan support because it is the right policy for America's small businesses. ARA urges passage of this important legislation.

Sincerely,

A handwritten signature in black ink that reads 'John W. McClelland'.

John W. McClelland

cc: Members of the Committee on Ways and Means