



NAHB
NATIONAL ASSOCIATION
OF HOME BUILDERS



LEGISLATIVE AND POLITICAL RELATIONS

Katherine E. Doddridge
Senior Staff Vice President

May 22, 2003

The Honorable William Thomas
United States House of Representatives
2208 Rayburn House Office Building
Washington, DC 20515

Dear Representative Thomas:

On behalf of the 205,000 member firms, representing 8 million employees, of the National Association of Home Builders (NAHB), I respectfully request that members of the House support the Jobs and Growth Tax Relief Reconciliation Act of 2003 (H.R. 2) when it comes to the House floor.

NAHB wholeheartedly supports the economic growth package conference report. H.R. 2 will provide badly needed near term stimulus to consumer spending and capital investment, including more housing consumption and production. NAHB specifically supports the proposals that would accelerate the implementation of changes in the tax law scheduled to take place in the future and increase the capital formation incentive for small businesses. The accelerated changes in the tax code are tax rate reductions, an expansion of the 10 percent rate bracket, providing marriage penalty relief, and increasing the child tax credit. The small business capital formation proposal would increase the amount small businesses can annually expense from \$25,000 to \$100,000. NAHB also strongly endorses the reduction in the 20 and 10 percent capital gain tax rates and their expanded application to dividend income.

A stimulus to the economy is needed to spur economic growth, jobs and salaries. The plan will create 510,000 jobs in the second half of 2003 and 890,000 jobs in 2004 – an increase of 1.4 million jobs in just 18 months.

Sincerely,

Katherine E. Doddridge

KD/mm