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July 11, 2014

The Honorable Dave Camp
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin:

I am writing on behalf of the American Rental Association (ARA) to reiterate the strong support for H.R. 4718, a bill to amend the Internal Revenue Code of 1986 to modify and make permanent bonus depreciation. 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. ARA represents both large publically held corporations and small family-owned businesses.

The equipment rental industry is extremely capital intensive. ARA members will invest more than \$12 billion in new equipment in 2014. Depreciation is an important component in equipment acquisition strategies for equipment rental companies because the more cash equipment rental companies can generate, the more equipment they will purchase. The 50-percent bonus depreciation provisions that have been part of U.S. tax policy for more than a decade have allowed ARA members to make significant additional investments in equipment by reducing ARA members' tax liabilities and increasing cash flow.

H.R. 4718 is scheduled to be on the House floor on Friday, July 11. ARA strongly urges a "Yes" vote on final passage.

Sincerely,

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

John W. McClelland, Ph.D.

cc: Members of the Committee on Ways and Means