

November 24, 2015

The Honorable Paul Ryan  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Democratic Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Harry Reid  
Democratic Leader  
U.S. Senate  
Washington, D.C. 20510

**CONSTRUCTION INDUSTRY URGES CONGRESS TO REINSTATE  
DEPRECIATION BONUS, INCREASED SEC. 179 EXPENSING**

Dear Speaker Ryan and Leaders McConnell, Pelosi, and Reid:

The undersigned organizations representing a broad cross section of the U.S. construction industry urge Congress to swiftly reinstate 50 percent bonus depreciation and higher Sec. 179 expensing levels.

Over the past several years, bonus depreciation has improved cash flow, encouraged the adoption of newer, more efficient technology, and created jobs by allowing companies to write off a significant portion of the cost of their new machinery. Similarly, higher Sec. 179 levels have helped small businesses grow and compete by expensing a greater portion of their new and used equipment purchases. However, on Jan. 1, 2015, the 50 percent depreciation bonus expired and Sec. 179 expensing levels fell from \$500,000 with a \$2 million phase-out cap to \$25,000 with a \$200,000 limit.

Members of both parties recognize the broad economic benefits associated with reinstating capital investment incentives. However, given that the end of 2015 is less than six weeks away and businesses are trying to make year-end financial plans, Congress must provide tax certainty. We urge you to work together to pass legislation as quickly as possible extending the capital investment incentives for at least 2015 and 2016.

Paired together with the long-term highway bill in the final stages of conference negotiations, depreciation bonus and higher Sec. 179 levels will be powerful medicine to bolster the construction, distribution, and manufacturing sectors and put the economy on track for years of prosperity.

Thank you for your consideration.

Sincerely,

**American Concrete Pavement Association  
American Concrete Pipe Association  
American Concrete Pressure Pipe Association  
American Concrete Pumping Association  
American Council of Engineering Companies**

American Road & Transportation Builders Association  
American Supply Association  
American Traffic Safety Services Association  
Associated Builders & Contractors  
Associated Equipment Distributors  
Associated General Contractors of America  
Association of Equipment Manufacturers  
Concrete Reinforcing Steel Institute  
Distribution Contractors Association  
Energy Equipment & Infrastructure Alliance  
Heating, Air-conditioning & Refrigeration Distributors International  
Interlocking Concrete Pavement Institute  
National Asphalt Pavement Association  
National Association of Electrical Distributors  
National Concrete Masonry Association  
National Electrical Contractors Association  
National Precast Concrete Association  
National Ready Mixed Concrete Association  
National Stone, Sand & Gravel Association  
National Utility Contractors Association  
Plastics Pipe Institute  
Portland Cement Association  
Power and Communication Contractors Association