

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