

The Honorable Charles Grassley
135 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Joni Ernst
730 Hart Senate Office Building
Washington, DC 20510

The Honorable Ashley Hinson
1429 Longworth House Office Building
Washington, DC 20515

The Honorable Cindy Axne
1034 Longworth HOB
Washington, DC 20515

The Honorable Mariannette Miller-Meeks
1716 Longworth House Office Building
Washington, DC 20515

The Honorable Randy Feenstra
1440 Longworth House Office Building
Washington, DC 20515

September 22st 2021,

We the undersigned organizations and businesses, on behalf of our members and employees, ask that as Congress begins to draft legislation under the recently adopted Fiscal Year 2022 Budget Resolution, you do not support the alteration or elimination of long-standing tax code provisions that are fundamental to the financial health of Iowa businesses.

All businesses, large or small, must continually adapt and reinvest to stay efficient and competitive in the marketplace. They must do this while dealing with cash flow challenges that come from thin profit margins and from having to pay ongoing operating expenses with sometimes uneven or seasonal income. These issues would be compounded by a heavy tax burden that further reduces financial resources. Eliminating or reducing key business provisions will result in a huge tax increase for Iowa business at a time when they can ill afford it. Our economic recovery from the Covid-19 pandemic is just beginning, and large tax increases would only stifle our ability to return to economic prosperity.

We must be committed to pro-growth tax policies that preserve our competitiveness, and oppose tax increases that reduce businesses' ability to grow, invest and create jobs. For these reasons, we must specifically protect stepped-up basis, 199a pass through income deductions, the like-kind exchanges, to ensure against increases in capital gains taxes and the overall corporate tax rate. All of these provisions have a critical impact to Iowa business and are key to ensuring our ability to continue operating.

It is with this in mind that we urge you to preserve the federal tax provisions that have long-supported Iowa businesses. We commend you for advancing a bold proposal to help our nation respond to the pandemic, and to improve our nation's infrastructure and help us create jobs. However, we must do so in a way that doesn't use the national tax code as a restraint on that potential growth.

Sincerely,

Agribusiness Association of Iowa
Ames Chamber of Commerce
Casey's General Stores, Inc.
Cedar Rapids Metro Economic Alliance

Collins Aerospace
Corteva Agriscience
Council Bluffs Area Chamber of Commerce
Fareway Stores, Inc.
Greater Des Moines Partnership
Greater Muscatine Chamber of Commerce & Industry
GROWMARK, Inc
HNI Corporation
Iowa Association of Business and Industry
Iowa Bankers Association
Iowa Biodiesel Board
Iowa Business Council
Iowa Cattlemen's Association
Iowa Corn Growers
Iowa Farm Bureau
Iowa Institute for Cooperatives
Iowa Renewable Fuels Association
Iowa Soybean Association
Iowa State Dairy Association
Iowa Turkey Federation
Kent Corporation
Kreg Tool Company
Professional Developers of Iowa
Quad Cities Chamber
Renewable Energy Group, Inc.
Siouxland Chamber of Commerce
The Economy Advertising Company
The Weitz Company
Vermeer Corporation
Wells Enterprises