



October 14, 2024

Rep. Lloyd Smucker
Chair, Main Street Tax Team
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Rep. Vern Buchanan
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Rep. Adrian Smith
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Rep. Greg Steube
Vice Chair, Main Street Tax Team
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Rep. Jodey Arrington
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Rep. Beth Van Duyne
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Chair Smucker and Members of the Main Street Tax Team:

The National Roofing Contractors Association appreciates the opportunity to submit the following comments in support of the Main Street Tax Certainty Act and a permanent Section 199A pass-through deduction. In addition to this letter, please see the attached submission from the Main Street Employers Coalition of which NRCA is a steering committee member.

The roofing industry is an essential \$100 billion sector with nearly 1 million employees that is vital to addressing affordable housing and repairing and maintaining schools, hospitals and other critical infrastructure nationwide. Pro-growth tax policies allow employers to invest back into their employees, businesses and communities. This investment manifests itself in a variety of ways, including higher wages for employees, expanded employee benefits, new business equipment and work vehicles, and charitable contributions within the community.

This legislation would provide certainty to over 75% of NRCA member companies that are organized as S corporations, partnerships and sole proprietorships and greatly rely on the Section 199A deduction to remain competitive both here and overseas.

Individually- and family-owned businesses organized as pass-throughs are the backbone of the American economy. They employ the majority of private-sector workers and account for 95 percent of all businesses. They also make up the economic and social foundation for countless communities nationwide. Without these businesses and the jobs they provide, many communities would face a more uncertain future of lower growth, fewer jobs, and more boarded-up buildings.

As you know, Section 199A is scheduled to sunset at the end of 2025, even as the businesses it supports continue to recover from the COVID-19 pandemic and the price hikes, labor shortages, and supply chain disruptions that followed.

Making the Section 199A deduction permanent will help our members remain competitive, leading to higher economic growth and more employment. Separate studies by economists Barro and Furman, the American Action Forum, and DeBacker and Kasher found that making the pass-through deduction permanent would result in significantly improved parity and lower rates for Main Street businesses.

As members of the Main Street Tax Team continue their vital work, we ask that you ensure the tax code is fair for our members by making the Section 199A pass-through deduction permanent. We thank you for your consideration and stand ready to work with you to advance this critical policy. If you have questions or need more information, please contact Deborah Mazol, National Roofing Contractors Association's director of federal affairs, at dmazol@nrca.net or (202) 906-9431.

Sincerely,



McKay Daniels
Chief Executive Officer

Attachment: 7 14 2024 MSEC Tax Teams Submission