

March 18, 2020

The President  
The White House  
1600 Pennsylvania Ave, NW  
Washington, DC 20500

The Honorable Nancy Pelosi  
The Speaker of the House of Representatives  
United States Capitol  
Washington, DC 20515

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

Mr. President, Speaker Pelosi, and Majority Leader McConnell:

As America confronts COVID-19, it is critical that any fiscal and economic response to help businesses survive the crisis match the scale and intensity of the steps being taken to end the pandemic.

Schools, workplaces, and entire industries have been closed in an effort to slow the spread of the disease. These steps are unprecedented, as is the speed and severity of the economic collapse they have precipitated. The operations of millions of businesses are threatened, together with the jobs of the millions of workers they employ.

Individually and family-owned companies operate on their cash flow, and that cash flow has been severely disrupted in the past week – their costs are up and their revenue flows are down, if not shut off completely. The public response to the pandemic should be over in a few months, but the negative effects of lost jobs and closed businesses will be with us for much longer.

To minimize the number of businesses closed and workers unemployed, the response from Washington needs to be coordinated, massive, and focused on ensuring that *all* businesses have the resources necessary to ride out the pandemic. This response should include – but not be limited to – the following areas:

- Immediately provide readily accessible, unsecured credit to businesses of *all* sizes to ensure they have the cash to pay their workers, rent, and other costs during this crisis. While Congress, Treasury and the Federal Reserve have recently announced policies to increase the availability of credit to some businesses, these policies need to be expanded to make certain they are comprehensive and that the credit is readily available to *all* operating businesses in the short term.
- Suspend the filing of business returns and the payment of *all* business taxes to the federal government for the duration of the pandemic. These suspended taxes should include taxes owed for the 2019 Tax Year, estimated payments for 2020, and all payroll tax obligations. The

suspension should be broad and apply to all businesses. When the pandemic is over, the repayment of any deferred taxes should be spread out over time.

- Amend the Tax Code to, among other items, restore the ability of businesses to carryback any net operating losses against previous year tax payments; suspend the application of the Section 163(j) limitation on interest expense deductions for tax year 2020 to avoid penalizing businesses for borrowing during this crisis; and suspend the Section 461(l) loss limitation on pass-through businesses to allow the owners of pass-through businesses to fully deduct any losses they incur this year.

The undersigned groups believe the key to helping businesses survive this crisis is to reduce their costs and increase their cash flow as much as possible in the coming weeks. The policies above are designed to do that and ensure that businesses are not penalized by the Tax Code if they lose money or increase their debt levels in 2020.

We appreciate your consideration and thank you for your leadership during these very difficult times.

Sincerely,

Agricultural Retailers Association  
American Beverage Licensees  
American Composites Manufacturers Association  
American Council for Capital Formation  
American Council of Engineering Companies  
American Dental Association  
American Farm Bureau Federation  
American Forest & Paper Association  
American International Automobile Dealers Association  
American Supply Association  
American Veterinary Medical Association  
Angel Capital Association  
Asian American Hotel Owners Association  
Associated Builders and Contractors  
Associated Equipment Distributors  
Associated General Contractors of America  
Association of Home Appliance Manufacturers  
California Association of Winegrape Growers  
CCIM Institute  
Collision Repair Specialists (SCRS)  
Construction Industry Round Table  
Convenience Distribution Association (CDA)  
Council of Insurance Agents and Brokers  
DHI – Door Security + Safety Professionals  
Equipment Leasing and Finance Association (ELFA)  
Family Business Coalition  
Foodservice Equipment Distributors Association (FEDA)  
Heating, Air-conditioning, & Refrigeration Distributors International (HARDI)  
Independent Bakers Association

Independent Community Bankers of America  
Independent Electrical Contractors  
Independent Insurance Agents & Brokers of America  
Independent Office Products & Furniture Dealers Alliance  
Institute for Scrap Recycling Industries  
Institute of Real Estate Management  
International Association of Plastics Distribution  
International Foodservice Distributors Association  
International Franchise Association  
International Sign Association  
International Wood Products Association  
ISSA – The Worldwide Cleaning Industry Association  
Manufactured Housing Institute  
Manufacturer & Business Association  
Metals Service Center Institute  
Mortgage Bankers Association  
NACS  
National Apartment Association  
National Asphalt Pavement Association  
National Association of Broadcasters  
National Association of Chain Drug Stores (NACDS)  
National Association of Electrical Distributors  
National Association of REALTORS®  
National Association of Wholesaler-Distributors  
National Automobile Dealers Association  
National Beer Wholesalers Association  
National Cattlemen's Beef Association  
National Community Pharmacists Association  
National Cotton Council  
National Electrical Contractors Association  
National Grocers Association  
National Limousine Association  
National Lumber and Building Material Dealers Association  
National Marine Manufacturers Association<sup>[L]</sup><sub>[SEP]</sub>  
National Mining Association  
National Multifamily Housing Council  
National Office Products Alliance  
National Oilseed Processors Association  
National Ready Mixed Concrete Association  
National Roofing Contractors Association  
National Small Business Association  
National Stone, Sand & Gravel Association  
National Tooling and Machining Association  
National Waste & Recycling Association  
NATSO, Representing America's Travel Centers and Truckstops  
NEMRA (National Electrical Manufacturers Representatives Association)  
NFIB  
North American Association of Food Equipment Manufacturers (NAFEM)

North American Die Casting Association  
Office Furniture Dealers Alliance  
Outdoor Power Equipment and Engine Service Association  
Precision Machined Products Association  
Precision Metalforming Association  
REALTORS® Land Institute  
Renewable Fuel Association  
Reserve Organization of America (ROA)  
Retail Industry Leaders Association  
S Corporation Association  
Small Business & Entrepreneurship Council  
SNAC International  
Society of Independent Gasoline Marketers of America (SIGMA)  
Southeastern Lumber Manufacturers Association  
Specialty Equipment Market Association  
The Aluminum Association  
The American Institute of Architects  
Vinyl Institute  
Western Equipment Dealers Association  
Wine and Spirits Wholesalers of America