



January 30, 2024

The Honorable Jason Smith  
Chairman  
House Committee on Ways & Means  
1139 Longworth House Office Building  
Washington D.C. 20515

The Honorable Richard Neal  
Ranking Member  
House Committee on Ways & Means  
1129 Longworth House Office Building  
Washington D.C. 20515

The American Exploration & Production Council (AXPC), the national trade association that represents 34 of the leading independent oil and natural gas exploration and production companies in the United States supports H.R.7024, the *Tax Relief for American Families and Workers Act of 2024*. Thank you for your hard work to restore important pro-growth tax policies that will continue to promote the United States' priority for energy security and support millions of American jobs.

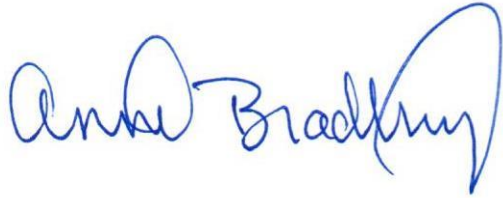
Dedicated to providing the cleanest and safest onshore production of oil and gas, AXPC is proud to support millions of Americans in high-paying jobs and investment in our communities. The *Tax Relief for American Families and Workers Act* is a bipartisan, bicameral bill that would spur innovation, investment, and growth. The provisions of importance to AXPC are:

- **Immediate Expensing of Research and Development Investments:** This bill's expensing of research and development investment in new oil and gas exploration technologies will continue to allow the U.S. to be more competitive on the world stage and at the forefront of clean, advanced energy production. This policy will allow our members to further develop new technologies to extract and process resources critical to the energy security of the U.S.
- **100 Percent Bonus Depreciation:** The bill's restoration of the 100 percent bonus depreciation is pivotal for our members, allowing immediate deduction of the full cost of qualifying assets. This allows our members to further accelerate investment in their businesses, employees, and local communities.
- **Interest Deductibility:** With recent rising interest rates, this bill's return to the earnings before interest, tax, depreciation, and amortization (EBITDA) standard will make it easier for capital-intensive companies, such as those in the oil and gas industry, to operate. The current standard that excludes depreciation and amortization makes the U.S. less competitive in the global market.

AXPC commends the House Ways and Means Committee for passing the new tax package that makes important strides to improve the tax code to benefit all American businesses, including those in the oil and gas industries. We look forward to continuing to work together

with the committee on future bipartisan priorities such as providing parity for intangible drilling costs. Thank you for your efforts in prioritizing U.S. businesses, technological innovation, and pro-domestic production.

Sincerely,

A handwritten signature in blue ink that reads "Anne Bradbury". The signature is fluid and cursive, with a large loop at the end of the last name.

Anne Bradbury  
President & CEO  
American Exploration & Production Council