



May 13, 2025

Chairman Jason Smith
House Ways and Means Committee

Chairman Jodey Arrington
House Budget Committee

Dear Chairmen Smith and Arrington:

The [Economic Investment Alliance](#) (EIA), a group of diverse U.S. businesses and organizations committed to sparking economic growth by investing in new infrastructure and technology, is grateful for your efforts to return full expensing to 100%. Restoring this pro-growth tax policy is critically important to help ensure American communities and citizens benefit now because it incentivizes immediate investment here at home, and only investments made in the USA. That investment creates jobs, increases wages, improves productivity and bolsters America's position in the global marketplace.

As you know, businesses of all sizes nationwide rely on full expensing, the proven pro-growth policy that allows companies to deduct the entire value of qualified capital expenditures immediately.

When 100% full expensing was previously in place, telecommunications companies used the measure to install 5G technology faster than they could have otherwise. Farmers depended on the policy to invest in new tractors and seeders, and party rental companies were able to purchase new tables, chairs, and equipment. Airlines and car rental companies used full expensing to invest in new fleets that better meet consumer demands. Oil and natural gas companies used full expensing to build a vast network of manufacturing and energy infrastructure, especially pipelines, to strengthen U.S. energy dominance. In each case, everyday Americans benefit.

A 2024 report from the [National Bureau of Economic Research](#) found full expensing generates more investment per dollar of tax revenue than any other tax provisions included in the Tax Cuts and Jobs Act. The Tax Foundation [concluded](#) making full expensing permanent would boost gross domestic product, employment and wages. An assessment from the University of Pennsylvania's Wharton School of Business determined the policy led to increased investment levels, while a study from Georgetown University found workers benefit from boosted wages thanks to the policy.



Full expensing also ensures America is able to compete with other nations in the increasingly crowded global marketplace. Countries, such as China, invest billions into technology and infrastructure to set their companies up for long-term success. American companies fund that investment themselves, and full expensing makes it more affordable to do so. As China and other nations continue to take on a more dominant role in the world economy, American companies need to be able to compete. Policies like full expensing take down barriers to investment, and in turn, set businesses up to invest, compete, and thrive. Other nations, including the U.K., have recognized the power and importance of full expensing and have acted to make it permanent.

We appreciate your leadership to prioritize full expensing in the coming tax bill. As you enter this next critical phase to enact the President's tax agenda, which includes restoring full expensing, we applaud your efforts and appreciate your ongoing commitment to restoring this policy. The EIA remains eager to work with you and your colleagues to make it law and help spur long-term economic growth.

Sincerely,

Economic Investment Alliance

CC: Speaker of the House Mike Johnson
House Majority Leader Steve Scalise
House Majority Whip Tom Emmer