

July 2, 2025

The Honorable John Thune
Majority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mike Johnson
Speaker
United States Senate
Washington, DC 20510

Dear Leader Thune and Speaker Johnson,

The Global Electronics Association urges passage of the pro-growth, business provisions included in H.R. 1 the *One Big Beautiful Bill Act*. We serve more than 1,400 U.S. companies across every segment of the industry, and every sector of the economy. In keeping with our mission to build stronger, more resilient electronics supply chains in the region, this bill contains several policies that will strengthen our industry's ability to invest, innovate, and remain competitive in today's fast changing global economy.

Electronics are essential to virtually every sector, from defense and aerospace, to automobiles, healthcare, infrastructure, high performance computing, AI, and advanced manufacturing. The Global Electronics Association's members span the full electronics supply chain from raw materials to advanced systems integration, and finished products. Collectively, the U.S. electronics industry contributes approximately \$781 Billion in economic output and supports roughly 1.3 million American jobs. A strong and resilient domestic electronics base is vital to both national security and economic competitiveness.

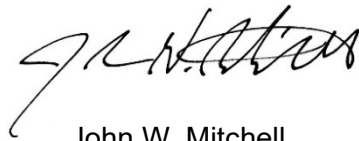
This bill includes provisions that will promote growth in an industry that urgently needs more favorable U.S. policies to compete on the global stage. These provisions include:

- **Preserving the 21% Corporate Tax Rate**
Keeping the U.S. competitive in a capital-intensive sector like electronics, where global investment alternatives are readily available
- **Extending the 199A Pass-through Deduction**
Enabling small and mid-sized business, 80% of Global Electronics Association members, to reinvest in equipment, people and growth.
- **Restoring and Making Permanent Immediate Expensing of Domestic R&D Costs**
Providing long-term certainty and encouraging sustained investment in research and development, a core driver of product innovation in electronics
- **Restoring and Making Permanent 100% Bonus Depreciation for Capital Equipment**
Providing long-term certainty for manufacturers to modernize and expand production lines which are currently not able to meet the demand of reshoring supply chains

These measures address needs that Global Electronics Association members have identified in recent years: restoring predictability and incentivizing investment in the industry. Taken together they represent progress toward creating a more competitive environment for U.S.-based electronics manufacturing. Failure to act will result in untenable tax increases that will further harm our members.

We applaud the inclusion of these pro-manufacturing policies in the *One Big Beautiful Bill Act*. We urge final passage of these measures to send them to President Trump's desk. Finally, the Global Electronics Association stands ready to work with President Trump, the House and Senate to pursue additional targeted incentives, including those focused on foundational technologies like printed circuit boards, IC substrates, and electronics assembly, to further strengthen our domestic capabilities.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Mitchell". The signature is fluid and cursive, with a large initial "J" and "M".

John W. Mitchell
President & CEO