



July 1, 2025

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

Re: AED's Support for the Reconciliation Package

Dear Speaker Johnson:

On behalf of Associated Equipment Distributors (AED) and the off-road equipment industry, I'm writing to express our strong support for the budget reconciliation tax package (the One Big Beautiful Bill Act) and urge the House of Representatives to approve this critical legislation as soon as possible.

AED is the international trade association representing companies that sell, rent, and service equipment used in construction, agriculture, mining, forestry, industrial and municipal applications. Our nearly 500 distributor members operate more than 6,400 locations across the United States, employing 112,000 workers and generating over \$87 billion in annual revenue. AED also has more than 350 non-distributor members such as manufacturers and service providers. AED members operate in all U.S. states and territories and serve every congressional district.

Pro-growth, capital investment incentivizing provisions strongly supported by AED that ensure long-term tax code certainty include:

- Permanently reinstating 100 percent bonus depreciation for new and used equipment purchases, retroactive to January 19, 2025.
- Permanently extending the 20 percent deduction for pass-through business income (199A/QBI deduction).
- Permanently restoring the business interest deduction limit to 30 percent of EBITDA (earnings before interest, taxes, depreciation, and amortization), rather than EBIT.
- Permanently increasing the estate tax exemption to \$15 million in 2026 (\$30 million for married couples), adjusted annually for inflation.
- Permanently reinstating the expensing of domestic research & development (R&D) investments, effective retroactively from January 1, 2025.
- Doubling Section 179 expensing limits to \$2.5 million, with a \$4 million phase-out beginning in 2025, both indexed to inflation in future years.

This legislation will spur economic growth and job creation, incentivize capital investment, and ensure AED members, which supply and maintain the equipment needed to build, feed and fuel America, remain competitive for years to come. We urge support for the bill and urge the House to send it to President Trump's desk for his signature immediately.

Sincerely,

Daniel B. Fisher
Senior Vice President