

May 18, 2025

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

The Honorable Steve Scalise
Majority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Emmer
Majority Whip
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Johnson, Leader Scalise, and Whip Emmer,

On behalf of the more than 1,400 U.S. companies across every segment of the electronics industry, I write to express our support for pro-growth, business provisions included in H. Con. Res. 14, the *One Big Beautiful Bill Act*. These policies 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. IPC Members span the full electronics supply chain from raw materials to advanced systems integration. 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 and Increasing the 199A Passthrough Deduction**
Enabling small and mid-sized businesses, 80% of IPC members, to reinvest in equipment, people, and growth

- **Restoring Immediate Expensing of Domestic R&D Costs**

Encouraging sustained investment in research and development, a core driver of product innovation in electronics

- **Restoring 100% Bonus Depreciation for Capital Equipment**

Providing timely incentives for manufacturers to modernize and expand production lines which are currently no able to meet the demand of reshoring supply chains

We welcome the inclusion of a number of additional provisions that will further strengthen domestic manufacturing and address one of the industry's most pressing challenges: the shortage of skilled workers.

- **Increasing 179 Expensing Cap from \$1 million to \$2.5 million**

Giving small manufacturers greater flexibility to deduct equipment investments in the year of purchase.

- **Creating a New 100% Deduction for New or Improved Factory Construction**

Supporting long-term facility expansion and reshoring of advanced manufacturing operations

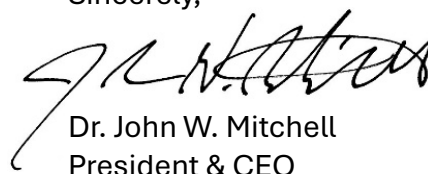
- **Establishing a Workforce Pell Grant Program for High-Quality, Credentialed Training**

A major step toward strengthening the talent pipeline and enabling workforce readiness in advanced manufacturing like electronics.

These measures directly address the needs IPC members have identified in recent years: restoring predictability, incentivizing investment, and building workforce capacity. Taken together they represent meaningful progress toward creating a more competitive environment for U.S.-based electronics manufacturing.

We appreciate the inclusion of these pro-manufacturing policies in H. Con. Res.14 and urge the House to advance them as part of its broader economic agenda. IPC stands ready to work with Congress and the Administration to pursue additional targeted incentives, including those focused on foundational technologies like PCBs, IC substrates, and electronics assembly, to further strengthen our domestic capabilities.

Sincerely,



Dr. John W. Mitchell
President & CEO