



July 1, 2025

The Honorable Mike Johnson  
Speaker of the House  
United States House of Representatives  
H-232, The Capitol  
Washington, DC 20515

The Honorable John Thune  
Majority Leader  
United States Senate  
S-230, The Capitol  
Washington, DC 20510

Dear Speaker Johnson and Majority Leader Thune:

On behalf of the National Tooling and Machining Association (NTMA) and the thousands of machine shops and workers we represent, we strongly support the One Big Beautiful Bill Act (H.R. 1). This bill includes urgently needed tax provisions that will determine the future competitiveness and resilience of U.S. manufacturing, particularly our smaller shops.

The National Tooling and Machining Association's 1,100 member companies design and manufacture special tools, dies, jigs, fixtures, gages, special machines, and precision-machined parts. Some firms specialize in experimental research and development work as well as rapid prototyping. Many NTMA members are privately owned small businesses, yet the industry sales exceed \$40 billion a year.

NTMA members—mostly small and medium-sized, family-owned tool and die shops—are the backbone of America's defense and industrial supply chains. These businesses rely on a stable, pro-investment tax environment to acquire advanced equipment, expand their workforce, and sustain domestic operations in the face of stiff global competition. H.R. 1 delivers on that front. The bill's permanent restoration of 100% bonus depreciation and R&D expensing will enable NTMA members to accelerate innovation and modernize their operations. Restoring interest deductibility based on EBITDA and expanding Section 179 small business expensing to \$2.5 million will ensure access to capital and provide the flexibility smaller manufacturers need to grow.

We are particularly pleased to see the bill make permanent the 20% deduction for pass-through businesses and expand the estate and gift tax exemption to \$15 million per individual. These provisions help family-owned manufacturing firms retain capital, transition ownership, and protect generational legacy without the threat of punitive tax consequences.

The U.S. needs a tax code that reflects the realities of modern manufacturing. H.R. 1 is that blueprint. It strengthens our supply chains, encourages investment in high-skill training, and keeps precision machining jobs here at home. For small manufacturers, H.R. 1 is not just a tax policy—it's a lifeline for growth and survival.

Sincerely,

President  
National Tooling and Machining Association