



## **Manufacturers Support the Tax Relief for American Families and Workers Act**

“For a small US based manufacturing company like ours, investing in advanced technology to compete with low wage countries is imperative. Our ability to expense our equipment purchases and deduct our R&D is critical for us compete in a global market. The future of US manufacturing desperately needs these reinstated.”

**Bill Cox**  
**CEO**  
**Cox Manufacturing**  
**San Antonio, TX**

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“Cash flow is critical to all small businesses but is particularly important for precision manufacturers. The equipment we need is expensive. When changes in tax policy impact the ability to invest in my business, our competitiveness suffers and adds risk to an entire industry that is critical to the US economy. Congress needs to eliminate the burdens on manufacturing and encourage investment by small business owners by restoring 100 percent expensing and deductions for our R&D. We need passage of the Tax Relief for American Families and Workers Act.”

**Gillen Young**  
**President**  
**Custom Tool, Inc.**  
**Cookeville, TN**

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“Bonus depreciation has, for years, provided businesses incentive to reinvest and grow their businesses by lowering their tax burden. Along the same lines, the R&D expense deductions and tax credits incentivize manufacturers to invest their capital in pioneering new products, technologies, or processes, which in turn moves their company, their industry, and their country ahead in the race for innovation. The additional tax burden caused by both declining bonus depreciation rates and Section 174 R&D expense amortization means companies will have less capital available to invest in these critical areas. We need this law passed now to preserve the technological and competitive edge held by our domestic manufacturing industry.”

**Brian R. Swanson CPA**  
**President & CFO**  
**E&E Manufacturing Co., Inc.**

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“We did not purchase a new machine last year due to the changes in 179 expensing. We could not justify the \$400,000 expense as our tax liability increased and we had to choose between new equipment financing and tax payments. Unfortunately, this also meant that we did not hire two individuals who would have worked on this new machine on multiple shifts. Congress needs to eliminate this tax on manufacturing investment and pass the Tax Relief for American Families and Workers Act.”

**Justin Quinn**  
**President**  
**Focused On Machining**  
**Louviers, CO**

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The elimination of our ability to expense R&D and equipment purchases by Congress was counter to pledges by our elected representatives that they want to boost domestic manufacturing. This change in tax policy resulted in a 400% increase of HK Metalcraft's tax bill in 2022. For a company of our size, that tax bill has a major impact on our ability to invest in our people and invest in new technology. I urge Congress to eliminate this tax on manufacturing investment and pass the Tax Relief for American Families and Workers Act as soon as possible.”

**Josh Hopp**  
**President**  
**HK Metalcraft**  
**Lodi, NJ**

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“Our 90-strong contract metal stamping/forming company, Mitchell Metal Products, urges Congress to pass the Tax Relief for American Families and Workers Act without delay. Since the expiration of the R&D tax credit and 100% expensing, we were forced to cut our annual CapEx and R&D activities by \$1 million annually (a two-thirds cut). For a small company such as ours, this is a significant deterrent to our ability to compete against offshore, low-cost competitors. Without restoration of these provisions, we will march further down a path that is unsustainable. We urge Congress to pass this bill so that we can once again invest in new technology, work centers and grow our company.”

**Tim Zimmerman**  
**President**  
**Mitchell Metal Products**  
**Merrill, WI**

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“The lack of ability to expense R&D activities increases the cost of manufacturing in America at a time when we need Washington to incentivize growth to create more jobs. We currently have 28 employees and would like to grow due to increase in work, and also the number of new customers we have recently took on, this tax relief would help us do this. Congress needs to pass the Tax Relief for American Families and Workers Act if lawmakers want to see a strong manufacturing sector.”

**Philip W. Passilla**  
**President**  
**Pennco Tool & Die**  
**Meadville, PA**

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“The lack of ability to deduct my R&D expenses has amounted to a tax increase on my business. Due to the additional tax payments, we were forced to reduce our investment in capital equipment which reduced the number of potential job openings we would have had available. Congress needs to eliminate this tax on manufacturing investment and pass the Tax Relief for American Families and Workers Act.

**W. Richard Hoster III**  
**President**  
**Smith and Richardson Inc.**  
**Geneva, IL**

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“I’m the CEO of a 16-person precision manufacturer of high-quality injection molds servicing medical device and automotive manufacturing in the US. We sell approximately \$5 million of molds annually. Our inability to deduct Tolerance Tool’s R&D expenses has amounted to an \$800,000 tax increase on our business that is not recoverable under the current law. Due to the additional tax payments, we could not maximize our investment in our product development. Without a doubt, the current law will drive many small US manufacturers out of business, and US businesses with 25 employees or less generate 2/3rds of all new jobs in the US. Congress needs to eliminate this tax on manufacturing investment and pass the Tax Relief for American Families and Workers Act!”

**Troy Roberts**  
**CEO**  
**Tolerance Tool, LLC**  
**St. Paul, MN**

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“The lack of ability to deduct my R&D expenses has amounted to an extra \$50,000/year tax increase on my small business. Due to the additional tax payments, we cannot invest back into the company to meet the demand we see in the aerospace sector. With new overhead costs on the horizon related to industry cybersecurity assessments, my small business operating in the defense industry base cannot keep up, let alone grow, unless Congress does something. Eliminating this tax on manufacturing investment and passing the Tax Relief for American Families and Workers Act is very good place to start.”

**Allison K. Giddens**  
**President**  
**Win-Tech, Inc.**  
**Kennesaw, GA**

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