

Easy Job Creation for your District! Cosponsor H.R. 1678

If small businesses can expense one of these...



They can afford to hire more of these...



June 22, 2005

Dear Colleague,

Please see the letter on the reverse side from Associated Builders and Contractors. ABC recently sent a copy of this letter to your office; we would like to direct your attention to it, as they are one of many organizations supporting an extension of higher limits on small business expensing. Why? Because expensing new equipment means new jobs.

Please join us in supporting job creation and expansion for small businesses.

To cosponsor H.R. 1678, please contact Craig Rushing in Congresswoman Musgrave's office by phone at 5-4676, or email craig.rushing@mail.house.gov.

Sincerely,

Marilyn Musgrave
Member of Congress

Wally Herger
Member of Congress

June 21, 2005

United States House of Representatives
Washington, D.C. 20515

Dear Representative:

On behalf of Associated Builders and Contractors (ABC) and its more than 23,000 construction and construction-related firms across the country, I would like to express our support for H.R. 1678, sponsored by Rep. Marilyn Musgrave (R-CO), which would extend increases in Section 179 expensing limits until 2010.

The vast majority of ABC member companies are small businesses with 50 employees or less, and this bill would allow them to immediately expense critical investments and reinvest capital back into their businesses. This legislation is essential to our members and will have a direct impact on the construction industry by encouraging investment in technology and new machinery. This, in turn, will have a positive effect on manufacturers, suppliers and others throughout the economy. Extending increases to small business expensing will benefit ABC's small contractors by making it easier to make additional investments in new equipment, in turn stimulate the economy and spur job creation.

Under current law, as signed into law by President Bush in 2003, establishes the Section 179 expensing limits at \$100,000 and an investment of \$400,000. Unfortunately these limits will return to \$25,000 and \$200,000 respectively when the expensing limits expire in 2007. This legislation will extend the higher limits through 2010. An increase in expensing limits provides two primary benefits: it reduces the high cost of the newest capital equipment and provides up-front additional cash flow to help finance the purchase.

ABC supports permanent increases in Section 179 expensing limits, but realizes in the current economic climate, short-term alternatives must suffice. ABC is hopeful that you will support and cosponsor H.R. 1678 in order to provide for much-needed relief to the construction industry and small businesses around the country.

Sincerely,

A handwritten signature in cursive script that reads "William B. Spencer".

William Spencer
Vice President, Government Affairs