



## Pass Key Tax Legislation to Support Small Businesses

**Summary:** NECA supports a reconciliation package that strengthens the federal tax code and advances a comprehensive energy strategy. High tax rates and a complex tax code hamper NECA contractors' competitive standing and hinder their economic growth. The time and money NECA contractors spend to comply with the federal government's complex tax code could be better spent on growing their businesses and creating jobs.

### Priorities:

- **Make the Tax Cuts and Jobs Act Permanent:** Extending the provisions of the TCJA will provide long-term tax stability, enabling NECA contractors to plan and invest with confidence, thereby enhancing competitiveness and fostering economic growth.
- **Make the Pass-Through Deduction Permanent for Small Businesses:** Maintaining the 20% Qualified Business Income deduction will offer essential financial relief, allowing small businesses to reinvest in growth, expand operations, and create jobs.
- **Repeal the Estate Tax:** Eliminating the estate tax will facilitate for NECA contractors the seamless transfer of family-owned businesses to the next generation, preserving jobs and sustaining long-term economic contributions.
- **Repeal the Alternative Minimum Tax:** Removing this tax will simplify the tax code, reducing compliance costs and ensuring that NECA contractors are taxed fairly without unintended penalties.
- **Extend and Make Permanent the 100 Percent Bonus Depreciation:** Extending full expensing of capital investments will incentivize modernization, boost productivity, and support job creation and encourage growth and innovation across the construction industry.
- **Expand Research & Development Expensing:** Allowing immediate deduction of R&D expenses will encourage innovation, enhance competitiveness, and drive economic growth by supporting technological advancements.
- **Reform the State and Local Tax (SALT) Deduction Cap:** Increasing the SALT deduction cap will provide financial relief to NECA contractors in high-tax states, enabling reinvestment in business expansion and workforce development.

**The National Electrical Contractors Association (NECA)** is the voice of the \$255 billion electrical construction industry that brings power, light, and communication technology to buildings and communities across North America. NECA's national office and 118 local chapters advance the industry through advocacy, education, research, and standards development.

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