

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

1615 H STREET, N.W.
WASHINGTON, D.C. 20062-2000
202/463-5310

October 24, 2016

The Honorable Warren Davidson
U.S. House of Representatives
Washington, DC 20515

Dear Representative Davidson:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, strongly supports H.R. 6100, the "Protect Family Farms and Businesses Act," which would prevent proposed Treasury regulations on minority valuation from going into effect.

The proposed Treasury rules hurt the ability of businesses to apply proper valuation discounts for estate, gift, and generation skipping taxes. These valuation discounts promote the continuation of family businesses by making it advantageous to transfer interests during life to children, which makes them more inclined to stay with the business, as compared to a situation where the parents hold on to assets during their lives and give them up only at death. In short, valuation discounts promote the flow of wealth to younger generations, which is good for the economy and the continuation of family businesses. The Chamber applauds H.R. 6100 for seeking to ensure valuation discounts remain available to family businesses.

The Chamber strongly believes that business staying in business is a good thing. Therefore, we prefer the Treasury Department not take action to discourage or limit the ability for businesses to be passed on. The Chamber strongly supports your work with H.R. 6100 to prevent this backdoor estate tax hike and looks forward to working to advance this highly important legislation.

Sincerely,



R. Bruce Josten