

Congress of the United States

Washington, DC 20510

July 29, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Steny Hoyer
Majority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable James E. Clyburn
Majority Whip
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Neal
Chairman, House Ways and Means Committee
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi, Leader Hoyer, Majority Whip Clyburn, and Chairman Neal:

As Congress considers comprehensive infrastructure legislation, we support Congress repealing the 12% federal excise tax (FET) on heavy-duty trucks and replacing it with an equitable funding mechanism for the Highway Trust Fund (HTF). Repealing the FET and replacing it with a consistent revenue source, relevant to today's economy, will help the trucking industry and the 1.3 million U.S. jobs it supports, provide environmental benefits by replacing older trucks with more efficient trucks, and speed the modernization of America's aging truck fleet.

The FET was first enacted in 1917 to help fund World War I. At 12%, this tax is the highest percentage excise tax Congress levies on a product, and routinely adds over \$20,000 to the price of a new heavy-duty truck. As a flat rate tax, the FET taxes a purchaser the same amount whether the truck is driven 5,000 or 50,000 miles. The FET was last reformed in 1982, and it is time to consider whether there may be a more equitable and efficient way to raise revenue from the commercial trucking sector.

The FET is also a barrier to upgrading and modernizing America's truck fleet. New heavy-duty trucks today have the latest emission control and safety technologies and are cleaner, safer and more fuel efficient. With more than half of the Class 8 trucks on the road over 10 years old, repealing the FET would benefit the environment and improve highway safety by accelerating fleet turnover.

Additionally, the FET has been the most inconsistent source of revenue to the HTF over the past 20 years. Since the FET is based on annual truck sales, which can vary greatly, the tax may not provide long-term stability for the HTF. We urge a new source to replace the FET that also protects the already strained HTF.

U.S. truck and trailer manufacturing, assembly, and retailing is a significant and vital part of our economy. In upcoming infrastructure legislation, we urge Congress to repeal the outdated and counter-productive FET and replace it with a more equitable and consistent source of revenue. Thank you for your consideration.

Sincerely,



Chris Pappas
Member of Congress



Ron Kind
Member of Congress



C. A. Dutch Ruppertsberger
Member of Congress



Jared Golden
Member of Congress



Angie Craig
Member of Congress



Vicente Gonzalez
Member of Congress



Thomas R. Suozzi
Member of Congress



David Scott
Member of Congress



Henry Cuellar
Member of Congress



David J. Trone
Member of Congress



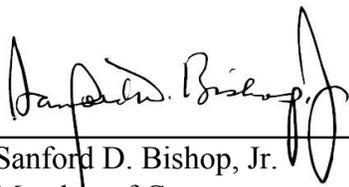
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Anthony G. Brown
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Cynthia Axne
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Steven Horsford
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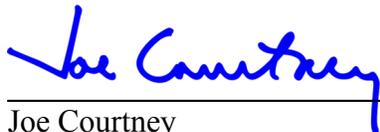
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