



## **Modernize the Truck Fleet Coalition Applauds New Bipartisan Legislation to Repeal the Federal Excise Tax on Heavy-Duty Trucks and Trailers**

WASHINGTON (April 30, 2019) – The Modernize the Truck Fleet (MTF) coalition praised Reps. Doug LaMalfa (R-Calif.) and Collin Peterson (D-Minn.) for introducing H.R. 2381, the “Modern, Clean and Safe Trucks Act of 2019,” a bill to repeal the antiquated federal excise tax (FET) on most new heavy-duty trucks and trailers.

The FET is a 102-year-old tax that was originally created to help pay for World War I. The 12% excise tax often adds between \$12,000 - \$22,000 to the cost of a new truck purchase.

“The FET discourages truck buyers from purchasing the newest, safest and cleanest trucks and trailers available,” said Jodie Teuton, chairwoman of the American Truck Dealers (ATD) and MTF steering committee member. “This tax is as outdated as biplanes and trench warfare. MTF applauds the bipartisan leadership Reps. Peterson and LaMalfa have shown by introducing this bill. MTF urges members of Congress to cosponsor H.R. 2381 to repeal the FET, which will help turnover the truck fleet and put newer, more fuel efficient and safer trucks on the road.”

Congressman LaMalfa stated, “When the FET was introduced over 100 years ago, it was to help pay the costs of fighting World War I. Today, it has quadrupled from 3% to 12% and the Ottoman Empire is no longer around. It’s an outdated and unnecessary barrier that discourages truck buyers from upgrading to more modern, cleaner and safer vehicles. It’s also the highest percentage-based tax that Congress imposes on any product, and it’s not even a reliable source of funding for the Highway Trust Fund. Most heavy-duty truck owners can’t afford a \$20,000 tax bill per new truck, so they don’t buy them. They’re far more likely to purchase used or older trucks with older technology that are not as fuel-efficient or don’t achieve the air quality goals the government demands. The FET limits truck replacement, the associated economic growth, and needs to be repealed.”

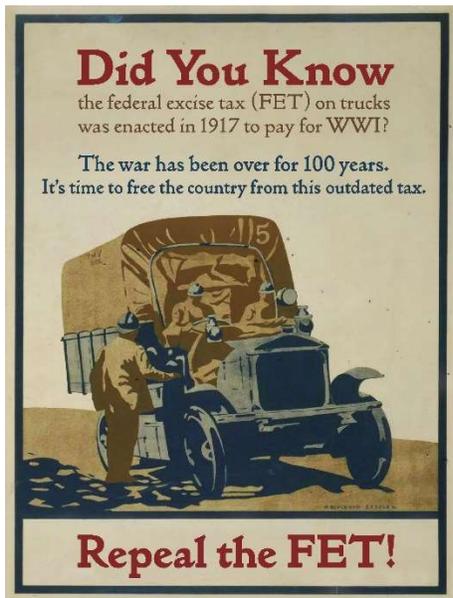
“The federal excise tax is an outdated burden to small businesses looking to invest in our transportation industry. Repealing this tax would encourage new and cleaner fuel-efficient vehicles on our roads,” said Congressman Peterson.

The MTF coalition is committed to repealing the outdated and burdensome FET and identifying an acceptable replacement to sustain the Highway Trust Fund.

H.R. 2381 has been referred to the House Ways and Means Committee for further consideration. MTF is strongly urging Congress to include H.R. 2381 in an infrastructure modernization bill, as they advance broader legislation.

Launched in January 2019, the MTF coalition represents a broad collection of businesses in the trucking industry, including the American Truck Dealers, National Tank Truck Carriers, National Trailer Dealers Association, NTEA - the Association for the Work Truck Industry, Truck Renting and Leasing Association, and the Truck and Engine Manufacturers Association. Click [here](#) to find more information about the coalition members' support for this bill.

For more information about MTF's work to repeal the FET, [click here](#), or contact Laura Perrotta, ATD/NADA senior director of legislative affairs, at [lperrotta@nada.org](mailto:lperrotta@nada.org) or at 202.547.5500.



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