

# Congress of the United States

Washington, D.C. 20515

July XX, 2020

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:

Thank you for your leadership in ensuring our nation has the resources needed to protect our citizens against the health and economic crisis caused by the coronavirus pandemic. During this time, the domestic trucking industry has played a critical role in ensuring the delivery of vital medical supplies and essential consumer goods nationwide. Like other important industries that employ millions of Americans, the trucking industry has been impacted by the severe economic consequences of the pandemic. To ensure this essential industry can more quickly recover, and to save jobs in the trucking industry, we urge you to temporarily suspend the 12% federal excise tax (FET) on heavy-duty trucks and trailers in future coronavirus recovery legislation.

During this unprecedented crisis, truck sales have plummeted below 50% of prior year sales. Major truck and trailer investments are being delayed and deferred. Truck factories and showrooms have been closed, and thousands of employees have been furloughed. Immediate relief that extends until the end of 2021 is essential to supporting the workers in this industry. As a targeted, temporary stimulus measure, we urge that this relief be provided without hurting the already strained Highway Trust Fund.

The FET on heavy-duty trucks, first implemented to help fund World War I, is hitting truck sales hard during this pandemic. At 12%, this tax has grown to become one of the highest percentage excise taxes and adds approximately \$21,000 to a vehicle's cost. In addition to the positive impact a suspension will have on the industry and its workers, the FET causes truck owners to delay upgrading to safer, more fuel-efficient equipment. This equipment has the latest emissions control technology and life-saving features, including automatic emergency braking and lane departure warning. Suspending the FET will therefore speed adoption of the newest environmental and safety technologies.

Suspension of the 12% FET on new heavy duty-trucks and trailers during this critical time could help fleets purchase new trucks and trailers, support U.S. truck and trailer manufacturing,

supplier, and dealership jobs, and advance our goals of improving highway safety and reducing emissions.

We urge you to suspend the FET until the end of 2021 in upcoming coronavirus legislation as the best and fastest way to help save or restore trucking-related jobs and jumpstart the economic recovery of this vital sector.

Sincerely,