

Congress of the United States
Washington, DC 20515

June 9, 2015

The Honorable John Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

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

Dear Mr. Speaker and Madame Leader:

As we begin the 114th Congress, one of our highest priorities should be to streamline the corporate tax code – to eliminate loopholes and special benefits while lowering the overall tax rate. As we investigate different proposals, we should keep in mind the goals of these reforms: to increase opportunity, allow for employers to pay strong wages, and bolster job creation and business growth. We ask you to be mindful that the positive benefits of these reforms could be greatly diminished if Congress repeals certain long-standing provisions of tax law that have demonstrated the ability to create jobs and promote economic expansion.

One reform proposal would modify the tax deduction for the cost of business advertising, arbitrarily imposing a new tax on advertising and effectively making advertising more costly. For more than 100 years, advertising expenditures have received the same tax treatment as any other ordinary and necessary business expense, much the same as employee wages, rent, utilities, and office supplies. In the last Congress, a proposal to single out and tax advertising expenses appeared as a revenue offset in tax reform drafts by the Chairmen of both the House Ways and Means Committee and the Senate Finance Committee.

Changes that will make advertising more expensive cannot be justified as a matter of tax or economic policy. Such changes would be severely detrimental to local advertisers, broadcasters, print media, online service providers, national media companies, news-gathering organizations, and other businesses that rely on advertising as their primary source of income. Imposing this cost on advertising would threaten the ability of these businesses to continue to support jobs and offer the high quality news, information, and entertainment on which our constituents rely.

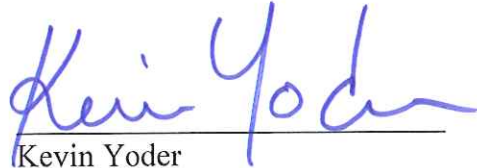
In 2013, advertising supported 21.7 million U.S. jobs and \$5.8 trillion in U.S. sales, according to a study by economic consulting firm IHS Global Insight, Inc. Further, the study showed that the indirect economic impact of advertising spending is significant: every dollar of advertising spending generates \$22 of economic activity.

Fixing our country's tax code is a challenge that we welcome. As this Congress delves deeper into these issues over the coming weeks and months, we ask that any changes contemplated are meaningful and based in sound economic principles.

Sincerely,



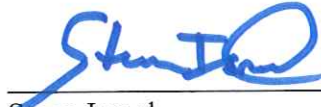
Eliot L. Engel
Member of Congress



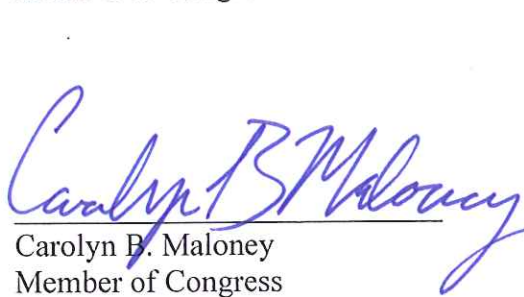
Kevin Yoder
Member of Congress



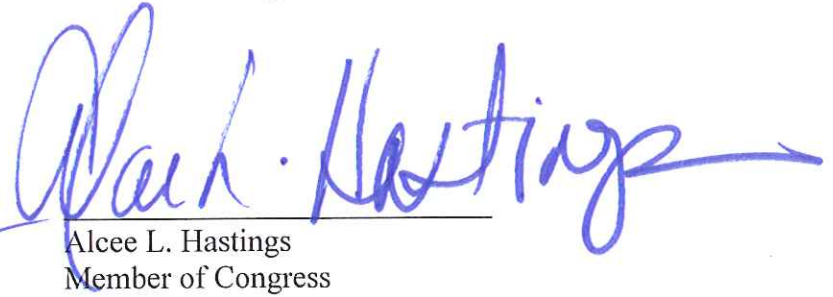
Gene Green
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Steve Israel
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Carolyn B. Maloney
Member of Congress




Alcee L. Hastings
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Blake Farenthold
Member of Congress



Derek Kilmer
Member of Congress



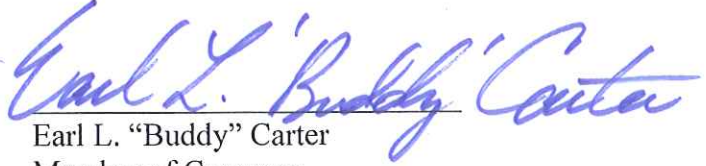
Suzan K. DelBene
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Tony Cárdenas
Member of Congress



Chris Collins
Member of Congress



Earl L. "Buddy" Carter
Member of Congress



Joyce Beatty
Member of Congress



Scott Perry
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Blaine Luetkemeyer
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Brian Higgins
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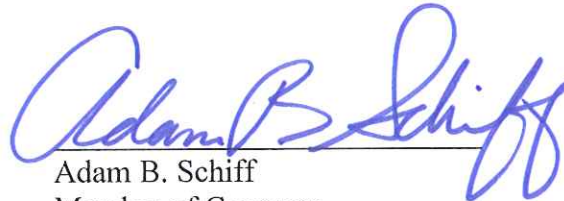
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Joe Wilson

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Mike Pompeo

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Rick Crawford

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Leonard Lance

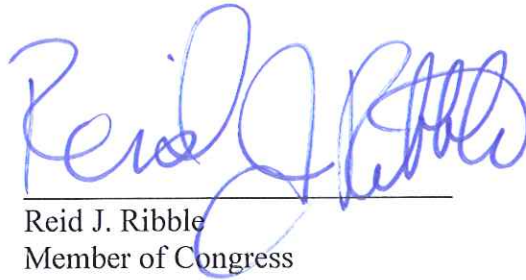
Leonard Lance
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Ted Poe

Ted Poe
Member of Congress



Christopher H. Smith
Member of Congress



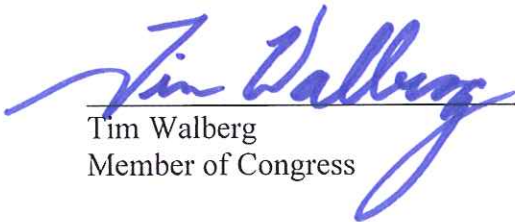
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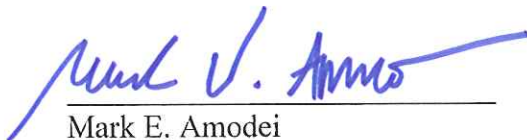
Renee L. Ellmers
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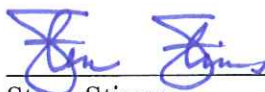
David P. Roe
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Mark E. Amodei
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Peter Welch
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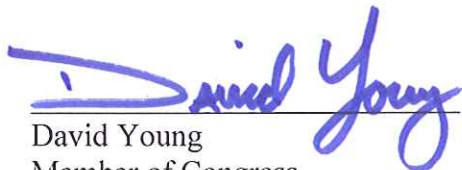
Steve Stivers
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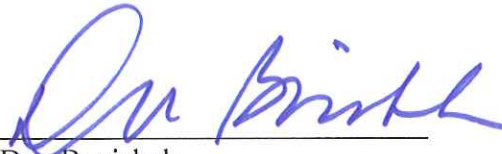


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Sam Graves
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Glenn Grothman
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David Young
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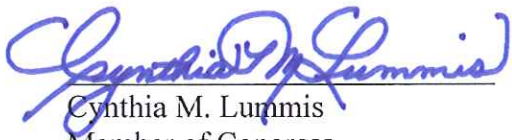

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Hakeem Jeffries
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Mark Takai
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Ann McLane Kuster
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Richard M. Nolan
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Cynthia M. Lummis
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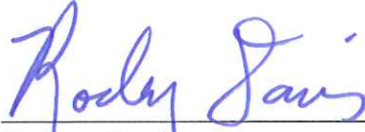

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Sean P. Duffy
Member of Congress

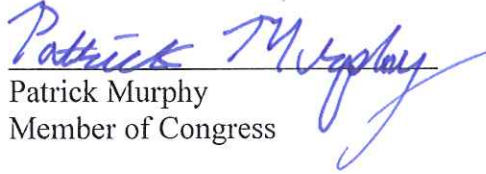

Bob Gibbs
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Darrell E. Issa
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Rodney Davis
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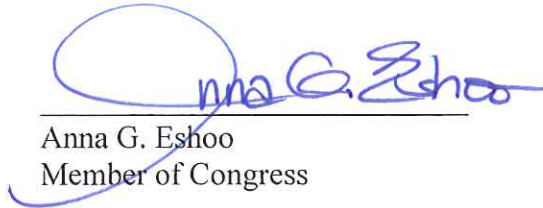
Patrick Murphy
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Terri A. Sewell
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G. K. Butterfield
Member of Congress



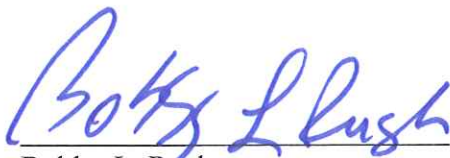
Anna G. Eshoo
Member of Congress



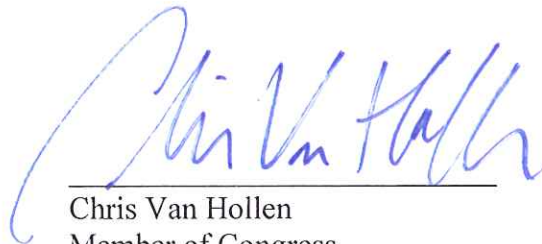
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Sheila Jackson Lee
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Chris Van Hollen
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Dennis A. Ross
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Mo Brooks
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Duncan Hunter

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Trey Gowdy

Trey Gowdy
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James P. McGovern

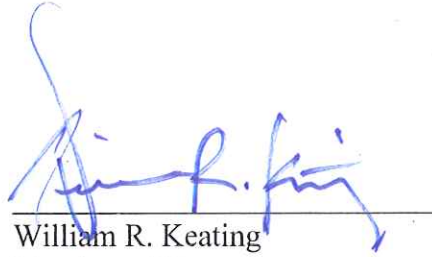
James P. McGovern
Member of Congress

Rod Blum

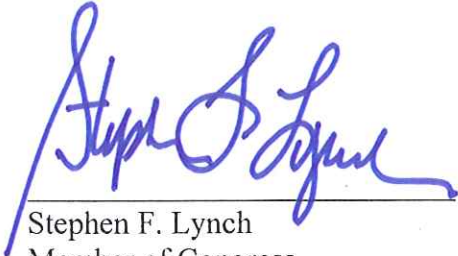
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Member of Congress



Michael M. Honda
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William R. Keating
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Stephen F. Lynch
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Don Young
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John K. Delaney
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