

# Government Withholding Relief Coalition

April 8, 2008

The Honorable Charles Rangel  
Chairman  
Committee on Ways and Means  
United States House of Representatives  
Washington, DC 20515

The Honorable Jim McCrery  
Ranking Member  
Committee on Ways and Means  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Rangel and Ranking Member McCrery:

The *Government Withholding Relief Coalition* and its member organizations write to highlight an important issue that will be included in the "Taxpayer Assistance and Simplification Act of 2008," which would delay the implementation of the three percent tax withholding requirement by one year. The *Government Withholding Relief Coalition* was formed to repeal Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005 (P.L. 109-222), which mandates the sweeping new requirement that federal, state, and local governments withhold three percent of their payments for goods and services.

We appreciate the Committee on Ways and Means' attention to the withholding issue. Section 511 will have particularly harmful consequences to many industries if it is allowed to become effective.

The coalition supports H.R. 1023, introduced by Congressmen Kendrick Meek and Wally Herger, which would repeal the withholding requirement. This bipartisan legislation has 243 cosponsors, many of them members of the Committee.

The *Government Withholding Relief Coalition* and its member organizations appreciate your leadership on the effort to address the withholding requirement and look forward to working with you to rescind Section 511.

Sincerely,

Government Withholding Relief Coalition

- Aeronautical Repair Station Association
- Aerospace Industries Association
- Air Conditioning Contractors of America
- Air Transport Association
- America's Health Insurance Plans
- American Bankers Association
- American Concrete Pressure Pipe Association
- American Congress on Surveying and Mapping
- American Council of Engineering Companies
- American Farm Bureau Federation
- American Institute of Architects
- American Moving and Storage Association
- American Nursery and Landscape Association
- American Road & Transportation Builders Association
- American Shipbuilding Association
- American Society of Civil Engineers
- American Subcontractors Association
- American Supply Association
- American Trucking Associations

- Associated Builders and Contractors
- Associated Equipment Distributors
- Association of National Account Executives
- Coalition for Government Procurement
- Colorado Motor Carriers Association
- Computing Technology Industry Association
- Construction Contractors Association
- Construction Industry Round Table
- Construction Management Association of America
- Contract Services Association
- Design Professionals Coalition
- Edison Electric Institute
- Engineering & Utility Contractors Association
- Federation of American Hospitals
- Financial Executives International's Committee on Government Business
- Financial Executives International's Committee on Taxation
- Gold Coast Hispanic Chamber of Commerce
- Independent Electrical Contractors, Inc
- Information Technology Association of America
- International Foodservice Distributors Association
- Management Association for Private Photogrammetric Surveyors
- Mason Contractors Association of America
- Mechanical Contractors Association of America
- Messenger Courier Association of the Americas
- Modular Building Institute
- National Association for Self-Employed
- National Association of Credit Management
- National Association of Manufacturers
- National Association of Minority Contractors
- National Burglar and Fire Alarm Association
- National Defense Industrial Association
- National Electrical Contractors Association
- National Federation of Independent Business
- National Italian-American Business Association
- National Precast Concrete Association
- National Office Products Alliance
- National Roofing Contractors Association
- National Small Business Association
- National Society of Professional Engineers
- National Society of Professional Surveyors
- National Utility Contractors Association
- National Wooden Pallet and Container Association
- North Coast Builders Exchange
- Office Furniture Dealers Alliance
- Oregon Trucking Association
- Plumbing-Heating-Cooling Contractors - National Association
- Printing Industries of America
- Professional Services Council
- Regional Legislative Alliance of Ventura and Santa Barbara Counties
- Santa Rosa Chamber of Commerce
- Security Industry Association
- Sheet Metal and Air Conditioning Contractors National Association, Inc.
- Small Business & Entrepreneurship Council
- Small Business Legislative Council
- Textile Rental Services Association of America
- The Associated General Contractors of America
- The Distilled Spirits Council of the U.S.
- The Financial Services Roundtable
- U.S. Chamber of Commerce
- United States Telecom Association
- Women Impacting Public Policy

Cc: Members of the Committee on Ways and Means