

## MEDIA COVERAGE OF ECONOMIC INVESTMENT ALLIANCE LAUNCH

*WaPo:* [Early 202](#)

### **On K Street**

#### **The battle to extend the Trump tax cuts is starting**

**New this morning:** Several major companies and trade groups are starting a coalition to push for the extension of a prized provision in the 2017 GOP tax law, kicking off a broader campaign on K Street to extend the Trump tax cuts that will consume the next three years.

Republicans made many provisions in the tax law temporary to help hold down its cost — and they're starting to expire. The coalition is fighting to extend a provision known as full expensing, which started to phase out earlier this year; others are set to expire on Dec. 31, 2025.

The coalition, called the **Economic Investment Alliance**, counts the **U.S. Chamber of Commerce**, the **National Association of Manufacturers**, the **American Petroleum Institute**, **AT&T**, **Verizon**, **T-Mobile** and **Altria** among its 16 members.

Biden called for extending the Trump tax cuts for households making less than \$400,000 a year, the White House said earlier this month. Doing so would [undercut Biden's plan for reducing the deficit](#), since federal budget projections assume the tax cuts will expire.

*Politico Morning Tax*

**HOPING TO KEEP IT FULL:** [The Economic Investment Alliance](#) is launching today with 16 companies and organizations in all, as it seeks to stop the winding down of full expensing.

Manufacturing (Altria, Corning and the National Association of Manufacturers), telecom (AT&T, T-Mobile, Verizon and CTIA) and even the car rental industry (Avis Budget Group, Hertz and the American Car Rental Association) are well represented in the new group, which also includes the U.S. Chamber of Commerce.

The group's members, somewhat predictably, said saving full expensing would spur new economic growth and business investment. But they also sought to cast businesses' ability to immediately write off a range of new assets as key to this particular moment, as the U.S. economy adapts to changes caused by the pandemic.

“These kind of investments will strengthen American supply chains and reduce dependency on foreign companies, which ultimately benefits American consumers and the greater national economy,” said Robby Wehagen of the Truck Renting and Leasing Association.

Representatives for the group also said they expect the group to expand as more companies and industries learn about their work.

**Quick refresher:** The GOP's 2017 tax law put 100 percent bonus depreciation into place through the end of last year, after which it is phased out by 20 percentage points a year. (In other words, businesses can write off 80 percent of the cost of eligible investments this year, which will then fall to 60 percent next year and so on.)

The winding down of full expensing is one of three ways that Republicans sought to cut costs in the Tax Cuts and Jobs Act by limiting tax benefits for businesses, along with scrapping immediate write-offs for research costs and enacting a stricter deduction for interest.

As a reminder: Reining in those incentives helped the GOP get under the \$1.5 trillion deficit cap for the TCJA, but were never really intended to go into effect — leading businesses and their advocates to scramble over the last year-plus to save or bring back the more generous incentives.

The research expensing provision has gotten the most attention in Washington, perhaps in part because it actually went into effect last year. But all three of them have at least some support among Democrats, though a large number of them have also said they

won't pass any new tax incentives for business unless the Child Tax Credit is also expanded.

Quick aside: The car rental sector says it's [become more reliant](#) on full expensing because the 2017 tax law also scrapped like-kind exchanges for personal property.