December 05, 2017

The Honorable Kevin Brady  
Chairman  
House Committee on Ways & Means  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Orrin Hatch  
Chairman  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Brady and Chairman Hatch,

As you begin conference committee negotiations on the tax reform bill, it is vital you ensure the bill does not have unintended consequences for businesses. As members of the Coal Caucus, we want to highlight the devastating impact of not repealing the Alternative Minimum Tax on the coal mining industry, its suppliers, and employees.

Coal companies invest heavily in new equipment, oftentimes doing so with large borrowing costs. The industry is very capital-intensive, with many leveraged employers. If the corporate AMT remains in the tax code, paired with new limits on interest deductibility, many companies will have a higher tax burden.

During the past eight years, the coal industry had to endure the onslaught of regulatory overreach by the Obama administration. The Obama administration did great harm to the coal industry and its employees. With the election of President Trump, the industry now can revitalize itself. However, failing to repeal the corporate AMT would bring a new, unanticipated threat to the industry. This tax hike will have far-reaching unintended consequences to an industry President Trump promised to help.

Additionally, the Senate bill does not allow taxpayers to use AMT credits generated in past years to offset regular taxes. The mining industry has been particularly burdened by the corporate AMT and companies have significant AMT credits that have not been used. The House bill appropriately addresses this concern while the Senate, by retaining the corporate AMT, does not.

The House version repealed the AMT while the Senate bill did not. We urge you to not compromise the pro-growth potential in the tax reform bill, and to repeal the Alternative Minimum Tax.
Sincerely,

David B. McKinley, P.E.
Member of Congress

Evan Jenkins
Member of Congress

Bill Johnson
Member of Congress

Bob Gibbs
Member of Congress

Liz Cheney
Member of Congress

Andy Barr
Member of Congress

Alexander Mooney
Member of Congress

Lou Barletta
Member of Congress

Paul A. Gosar, D.D.S.
Member of Congress

Kevin Cramer
Member of Congress

Rodney Davis
Member of Congress

James Comer
Member of Congress

Keith J. Rothfus
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Jim Renacci
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Steve Stivers  
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Scott Perry  
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David P. Joyce  
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Todd Rokita  
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Mike Bost  
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Greg Gianforte  
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Doug Lamborn  
Member of Congress

Robert Latta  
Member of Congress

Randy H. Weber  
Member of Congress

Brad Wenstrup  
Member of Congress

Scott Tipton  
Member of Congress