

November 13, 2017

The Honorable Orrin Hatch
Chairman, Committee on Finance
U.S. Senate
Washington, D.C. 20515

Re: Tax Cut and Jobs Act

Dear Chairman Hatch:

On behalf of the Polyisocyanurate Insulation Manufacturers Association (PIMA), I want to voice our support for your efforts to lead tax reform discussions in the Senate with the introduction of the Tax Cut and Jobs Act. In particular, we strongly endorse the proposed changes to small business expensing provisions under section 179 of the Internal Revenue Code that would expand the definition of “qualified real property” to include improvements to existing nonresidential building roofs. Also, PIMA strongly supports the proposal for reducing the depreciable life of buildings to 25 years, down from 39 years.

Commercial building roofs last an average of 17 years, but are subject to a 39-year depreciation period under the current Internal Revenue Code. This situation deters investment in full roof replacements and is a drag on commercial building roof replacement work. The Chairman’s Mark, as described in the November 9th Joint Committee on Taxation print (JCX-51-17), represents sound economic and tax policy and will have a positive effect on job growth. Ducker Worldwide estimates that this type of change in the depreciation and/or expensing of roofs would, in a one-year period, create nearly 40,000 new jobs and add \$1 billion in taxable revenue. Increasing the rate of roof replacements will also have a positive effect on building energy-efficiency, as this is the primary opportunity for building owners to cost-effectively improve a roof’s thermal performance.

PIMA is the national trade association for companies involved in the manufacturing of rigid polyiso foam insulation, and has a nationwide presence with facilities located across the United States. PIMA members located in Utah include:

Firestone Building Products Company: Polyiso insulation manufacturing in Salt Lake City
Hunter Panels/Carlisle Construction Materials: Polyiso insulation manufacturing in Tooele
Huntsman: Corporate office in Salt Lake City
GAF: Polyiso insulation manufacturing in Cedar City

Please feel free to contact me if you have any questions (jkoscher@pima.org).

Sincerely,



Justin Koscher
President