

August 5, 2022

To the Members of the United States Congress:

The undersigned chambers of commerce and business organizations from across the United States urge you to oppose the Inflation Reduction Act of 2022. This legislation includes taxes that would discourage investment and undermine economic growth and price controls that would limit American innovation. Despite the name of the bill, independent analysis confirms that it would have little to no impact on inflation and may in fact increase inflationary pressure in the near-term.

While we understand that various elements of the legislation are being updated, we continue to believe that the following provisions make this legislation unworkable:

- Enacting the proposed Corporate Book Minimum Tax would be the antithesis of sound tax policy and administration. Its introduction would be neither simple nor administrable and would pose a competitive disadvantage to U.S.-headquartered businesses while increasing the incidence of unrelieved double taxation. It would also have a detrimental effect on the quality of financial reporting.
- The excise tax on stock buybacks would only distort the efficient movement of capital to where it can be put to best use and diminish the value of Americans' retirement savings.
- New price controls on pharmaceuticals would significantly reduce private sector investment in new research. Not only would this provision reduce jobs and hurt the economy, but the non-partisan Congressional Budget Office predicts that it will stifle the introduction of 15 new drugs over the next 30 years.

This is the absolute wrong time to increase taxes on American job creators or implement price controls on American innovators. We urge Congress to reject this misguided legislative package.

Sincerely,