

January 19, 2024

Chairman Jason Smith
House Committee on Ways & Means
1139 Longworth HOB
Washington, DC 20515

Chairman Ron Wyden
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Re: Tax Relief for American Families and Workers Act of 2024

Dear Chairman Smith and Chairman Wyden:

On behalf of the more than 159,000 dentist members of the American Dental Association, we are writing to thank you for including some of America's dentists' top tax policy priorities in the Tax Relief for American Families and Workers Act of 2024. We would also like to share with you other tax policy priorities not included in your bill. These tax policy priorities will directly support small business dental practice owners, dentists, and dental students so that we can continue to expand our oral health care services nationwide.

We want to especially thank you for the two following provisions included in your legislation that are key to our members:

- **Increase in Limitations on Expensing of Depreciable Business Assets**
The ADA supports maintaining full expensing of investments in equipment, software, and property, particularly for small businesses. Allowing businesses to immediately expense their investments increases dentists' ability to grow their practices and provide better care for their patients by utilizing the most up-to-date advances in dentistry.

The ADA supports the provision within this legislation that would protect and expand on Section 179 of the Internal Revenue Code to better support our small business dental practices.

- **Deduction for Research and Experimental Expenditures**
The ADA supports this important provision, which would lessen the tax burden on dental researchers. In addition to encouraging innovation and promoting American leadership in science, this tax credit would also encourage new dentists and dental students to consider a career in dental research.

Additional Tax Priorities for America's Dentists

The ADA addressed its tax priorities in a [June, 2023 letter](#) to the House Committee on Ways and Means. We would like to highlight the treatment of pass-through entities. Many dental practices are organized as pass-through entities, and the ADA supports the fair treatment of the business income generated by these practices. The ADA supports the Main Street Tax Certainty Act, which would make the Section 199A 20 percent deduction created by the Tax Cuts and Jobs Act, scheduled to sunset at the end of 2025, permanent. Without this deduction, S corporations would be subject to a tax rate far out of parity with C corporations, leading to an uncertain future for many small business dental practices.

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Thank you for the opportunity to comment on the Tax Relief for American Families and Workers Act of 2024, and for including expensing of depreciable business assets and a deduction for research and experimental expenditures. We stand ready to collaborate with you in your efforts to craft tax policy that will benefit small businesses, dental practices, and American families and workers.

The ADA looks forward to continuing to work with you and we would welcome the opportunity to speak with you in more detail and answer any questions you have regarding these comments. Please contact Ms. Megan Mortimer at 202-898-2402 or mortimerm@ada.org to facilitate further discussion.

Sincerely,

Linda J. Edgar, D.D.S., M.Ed.
President

Raymond A. Cohlma, D.D.S.
Executive Director

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