

Congress of the United States
House of Representatives
Washington, DC 20515-1316

December 3, 2009

The President
The White House
Washington, DC 20500

Dear Mr. President:

As you host the jobs forum at the White House today, I want to make you aware that I introduced legislation (H.R. 4189) that would provide a quick, relatively low-cost power boost to the economy and rewards companies for keeping and adding jobs in America.

My proposal simply accelerates the phase-in of the domestic manufacturing tax benefit by one year. The domestic manufacturing tax deduction (Section 199 of the Tax Code) started in 2005 at 3 percent as part of the 2004 law (Section 102 of Public Law 108-357) that replaced the Foreign Sales Corporation/ Extraterritorial Income (FSC/ETI) tax structure, which was ruled as an illegal export subsidy by the World Trade Organization (WTO). In 2007, the domestic manufacturing tax deduction increased to 6 percent. The final phase – raising the domestic manufacturing deduction to 9 percent – is scheduled to start in 2010. The *American Jobs Creation Act of 2009* simply changes the start date of the 9 percent domestic manufacturing tax deduction from January 1, 2010 to January 1, 2009, thus providing an additional 3 percent tax incentive for all domestic manufacturers right now. It would allow struggling domestic manufacturers to take immediate advantage of additional liquidity that could be used to purchase new equipment or hire more workers instead of having to wait to file their taxes in early 2011.

This tax deduction is ideal because it only applies to revenue generated by operations based in the United States and discourages the “off-shoring” of American production. The *American Jobs Creation Act of 2009* is a simple low-cost idea that both Democrats and Republicans can agree on.

I respectfully urge its inclusion in any legislative proposal designed to encourage job creation here at home. Thank you very much for your kind consideration of my request.

Sincerely yours,



Donald A. Manzullo
Member of Congress

cc: The Honorable Nancy Pelosi, Speaker of the House
The Honorable John Boehner, Minority Leader of the House
The Honorable Charles B. Rangel, Chairman, House Committee on Ways and Means
The Honorable Dave Camp, Ranking Minority Member, House Committee on Ways and Means.