

Tax Policy

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IEC Position

- IEC supports policies that provide tax certainty and stability, enabling contractors to invest in their workforce and operations.
- IEC supported key reforms in the Working Families Tax Cuts (WFTC) Act that strengthen tax certainty and help small businesses.
 - Providing tax certainty for pass-through businesses.
 - Renewing immediate expensing of capital investments.
 - Permanently restoring the ability to immediately deduct domestic research and experimental expenditures.
 - Exempting overtime pay from federal income tax.
 - Eliminating the estate tax for family-owned businesses.
- IEC supports continued efforts to enhance tax benefits and incentives related to energy efficiency and renewable energy.
 - IEC does not support these improvements to be contingent upon apprenticeship and prevailing wage requirements and project labor agreement encouragements, as was the case in the Inflation Reduction Act of 2022.

IEC's Ask

- **Ask:** Preserve and expand pro-growth tax provisions that enable investment in workforce, equipment, and operations.
- **Ask:** Ensure energy-related tax incentives are not conditioned on labor mandates, including apprenticeship requirements, prevailing wage mandates, or project labor agreement (PLA) encouragements.

Background

Uncertainty in tax policy creates challenges for contractors making long-term business decisions. Electrical contractors appreciate the tax certainty that enables businesses to invest in their workforce, upgrade equipment, and expand operations to power America.

At the same time, certain tax incentives—particularly those tied to energy efficiency and renewable energy—have been structured in ways that condition access on labor requirements that may limit participation by otherwise qualified contractors.