



April 10, 2025

The Honorable John Thune
Majority Leader
U.S. Senate

The Honorable Mike Johnson
Speaker
U.S. House of Representatives

The Honorable Mike Crapo
Chairman
U.S. Senate
Committee on Finance

The Honorable Jason Smith
Chairman
U.S. House of Representatives
Committee on Ways and Means

Dear Leader Thune, Speaker Johnson, Chairman Crapo, and Chairman Smith:

We, the undersigned organizations, stand united in support of extending or making permanent the tax cuts implemented through the Tax Cuts and Jobs Act of 2017 (TCJA). We also firmly believe that potential tax increases threaten economic growth and prosperity. Accordingly, we write to caution against limiting corporate deductions for state and local taxes, or [C-SALT](#) – a potentially counterproductive tax change being contemplated as a possible offset to “pay for” a portion of the revenue cost of extending TCJA.

One of the landmark achievements of TCJA was lowering corporate tax rates from the suffocating Obama-era 35% to today’s globally competitive 21%. That change has boosted U.S. Gross Domestic Product (GDP), powered historic growth, created new incentives to manufacture and build in America, and is [projected](#) to more than pay for itself in just the first ten years. Indeed, recognizing those benefits, President Trump now proposes to lower the corporate rate even further to 15%.

Eliminating or limiting the C-SALT deduction without proportionally lowering the corporate tax rate, however, would constitute a destructive and costly step backwards. It would result in a stealth tax increase that would raise effective U.S. corporate tax rates for many businesses from President Trump’s 15% target upward toward the excessive job-killing rates of past administrations.

Simply put, we believe that Congress must avoid pulling the rug out from under the pro-growth corporate tax rate provisions of TCJA and President Trump’s economy by reducing or eliminating the existing C-SALT deduction without proportional reductions in the corporate rate. Such a provision would amount to a misguided and costly nationwide

tax hike that will discourage investment, limit economic growth and harm American jobs.

Thank you for your time and attention to this important matter.

Sincerely,

Jeffrey Mazzella
President
Center for Individual Freedom

Grover Norquist
President
Americans for Tax Reform

Ryan Ellis
President
Center for a Free Economy

Gerard Scimeca
Chairman
Consumer Action for a Strong Economy

Mario H. Lopez
President
Hispanic Leadership Fund

Bartlett Cleland
Executive Director
Innovation Economy Alliance

Rosemary Becchi
President and Founder
Jersey 1st

Charles Sauer
Founder and President
The Market Institute

Karen Kerrigan
President & CEO
Small Business & Entrepreneurship Council

James Erwin
Interim Director
Shareholder Advocacy Forum

cc: Members of Congress