

**Ways & Means Member Day Testimony: H.R. 262, the Disaster Reforestation Act, Tax Credits Supporting American Manufacturing, and H.R. 25, the Fair Tax Act**

- Mr. Chairman, thank you for allowing me to testify today at this Member Day hearing so that I can discuss before this Committee some pieces of legislation that I am leading, and I believe are important to advance this Congress.
- First, I'd like the Committee to consider is H.R. 262, the Disaster Reforestation Act.
- As those on the Committee may be aware, Georgia is our nation's number one forestry state with more commercially available timberland and harvested timber than any other state.
- This industry is important to providing thousands of everyday products that are essential to our lives, as well as providing clean air, water, and habitats.
- Unfortunately, our nation's family forest landowners face threats on multiple fronts.
- As we've seen recently, natural disasters and fires threaten the significant investments our foresters make into maintaining forestland.
- Most recently, of course, we've seen the massive fires in LA, but in my home district, Hurricane Helene devastated our timberland.
- Compounding the issue is fact that our tax code makes it extremely difficult or impossible for private forest landowners to recover after such devastating events.
- The Disaster Reforestation Act would amend the tax code to allow forest owners to deduct the full market value of their timber prior to the loss caused by the federally declared natural disaster.
- Further, this bill requires those landowners to reforest their land within 5 years, ensuring the forestland is not converted to other uses and preserving the environmental and economic benefits.

- Again, forest landowners provide clean air, fresh drinking water, and quality jobs for our nation.
- Let me emphasize the unique situation these landowners find themselves in.
- Like any other agricultural producer, they spend significant amounts of time and money to plant and grow their crops.
- In this case, the crop is a tree instead of wheat, corn, fruits, vegetables, or any other food.
- Unlike other crops, timber takes decades to grow.
- That is a generation of investment into the hope of turning a small profit to keep operations going.
- Whereas more traditional crops have some relief with crop insurance, these growers do not have a way of recouping any portion of their often decades-long investment.
- This bipartisan bill, endorsed by more than 70 state and national associations, offers long-term stability for those making significant investments in forestry.
- Natural disasters have devastated many private forests, and we cannot afford to delay this necessary aid.
- I thank the Chairman for his engagement on this bill already and hope to find a path forward this Congress.
- In addition, as the Committee considers tax reforms this Congress with the expiration of portions of the Tax Cuts and Jobs Act, I ask that it carefully consider and examine existing energy and manufacturing tax credits.
- It has been a nearly universal policy goal to attract more investment in the U.S., build more in the U.S., and secure our supply chains from the whims of bad actors, like China.

- We should take a careful look at what existing tax credits support those policy goals and support manufacturing in the United States.
- It's been said many times, but approach should be with a "scalpel and not a sledgehammer."
- While a variety of credits were in the partisan IRA or modified by the law, many of them either existed prior to the law or already had bipartisan support but were thrown into a partisan package.
- Manufacturing projects have started in communities across the country, bringing thousands of jobs and billions of dollars in investments.
- This is exactly the kind of growth that will make America more competitive, secure, and great again.
- We must ensure that our policies continue to do that, and that we do not jeopardize the economic future of those communities that have invested in these projects.
- Lastly, I'd be remiss if I did not take time to speak on the FairTax and urge that it receive serious consideration.
- The FairTax is incredibly popular.
- After all, how many tax plans have been New York Times Bestsellers?
- It's no secret that the American people are completely dissatisfied with the current tax code, which is a convoluted, absurd system that punishes hard work and is built on government control.
- As a result, some 85 percent of Americans are frustrated by the complexity of our tax code and only two-in-ten Americans say they trust the government in Washington to do what is right with their hard-earned money.
- The current tax code is not working for Americans, and they are hungry for something that serves them, not unelected bureaucrats.

- H.R. 25, the FairTax, would eliminate the federal income, payroll, and estate and gift taxes, replacing them with a revenue-neutral national 23 percent consumption tax.
- It would eliminate the need for the IRS. It would eliminate Tax Day.
- It would allow you to take home 100 percent of your paycheck, so that you control where your hard-earned dollars go.
- Skeptics point out that a 23 percent consumption tax sounds like a lot, and it is.
- But what many consumers fail to realize is that today's sticker prices are already inflated to cover corporation's tax burdens.
- Every tax imposed on businesses – whether it is corporate, FICA, or other taxes – is passed down to the consumer.
- You're already paying taxes every time you purchase a good or service. Under the FairTax, you're paying your own, not someone else's.
- The FairTax includes an advance tax refund to every legal American family at the beginning of every month to purchase goods and services tax-free up to the national poverty level.
- This means a family of four can spend \$30,000 a year without paying a penny in taxes. That's an effective tax rate of 0 percent.
- No one else is seriously advocating to repeal the most regressive and largest tax American families pay – the payroll tax – while making the United States the most competitive place to do business on the globe.
- That checks every box and principle we have, regardless of what side of aisle you are on.
- Does overturning an entrenched tax code with thousands of special interests invested in keeping their carve-outs pose significant challenges? Yes.
- Is this a big, radical idea? Absolutely.

- However, I did not come to Congress to satisfy special interests or maintain the status quo. I was sent to Congress to fight for taxpayers, small businessowners, mothers, fathers, students, truck drivers, and everyone who keeps our great country running.
- I thank the Chairman for holding a hearing last Congress with an advocate for the FairTax, and I hope to see continued action on this issue in the 119<sup>th</sup> Congress.
- Thank you, Mr. Chairman, and yield back the remainder of my time.