



Building a More Competitive American Economy

Desired Action

WMMA applauds the passage and implementation of the Tax Cuts and Jobs Act (TCJA), and how it lays the foundation for a more competitive American economy. WMMA looks forward to working to build an even brighter future for manufacturers by implementing policies that promote regulatory reform, infrastructure investment and expanded trade.

Background

According to a 2016 report by the Tax Foundation, the U.S. had the third highest general top marginal corporate income tax rate in the world. Of the 188 nations studied, only the United Arab Emirates and Puerto Rico had higher tax rates than the U.S. The U.S. top tier rate of 38.92% was the highest among the world's 35 most industrialized nations and nearly double the world average of 22.5%. The passage of the TCJA addressed these concerns by lowering the corporate tax rate, and changing the U.S. from a global to a territorial tax system. Tax reform is an important step to ensuring that WMMA's members compete on an even playing field and that the future of manufacturing and manufacturing workers in America is even brighter.

Recent Legislation

The Tax Cuts and Jobs Act (TCJA) made significant positive changes to the corporate tax code that will mean more investment, more jobs and bigger employee paychecks for WMMA's members. TCJA amended the Internal Revenue Code of 1986 by reducing tax rates for businesses and individuals, reducing the alternative minimum tax (AMT) for individuals and eliminating it for corporations and repealing the individual mandate of the Affordable Care Act (ACA). The corporate tax rate has been lowered from 35% to 21%. Additionally, instead of a corporation paying 35% for income earned in any country, each subsidiary would pay the tax rate of the country in which it is legally established.

About the WMMA

Founded in 1899, the Wood Machinery Manufacturers of America (WMMA) is a professional trade association comprised of more than 230 North American manufacturers of woodworking equipment, cutting tools and supplies whose purpose is to promote the interests of its members serving the woodworking industry. Members' products are used in the production of furniture, cabinets, millwork and other wood products. Many members also serve the plastics, stone and non-ferrous metals markets. WMMA members' equipment is sold worldwide. Learn more about the WMMA at www.WMMA.org.

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