



October 16, 2024

The Honorable Jason Smith
By e-mail

The Honorable Vern Buchanan
By e-mail

The Honorable Brian Fitzpatrick
By e-mail

The Honorable Darin LaHood
By e-mail

The Honorable Lloyd Smucker
By e-mail

The Honorable David Schweikert
By e-mail

The Honorable Adrian Smith
By e-mail

The Honorable Mike Kelly
By e-mail

The Honorable Carol Miller
By e-mail

The Honorable Ron Estes
By e-mail

The Honorable Kevin Hern
By e-mail

Dear Chairs of the Republican Tax Teams,

The Military Coalition (TMC), representing 5.5 million servicemembers, veterans, their families and survivors, expresses its support for the following tax provisions as you identify and prioritize legislative solutions to help American families, workers, and small businesses:

Military Spouse Hiring Act (H.R. 1277/S. 596) – This bill expands the Work Opportunity Tax Credit (WOTC) to include a military spouse target group. The unemployment rate among military spouses remains disproportionately high. Military spouses face unique barriers to employment due to the demands of military life. These challenges contribute to financial instability for military families and have lasting impacts on long-term economic well-being. Expanding WOTC to military spouses would incentivize employers to hire these uniquely qualified and talented individuals. WOTC is a proven policy lever, enabling employment for more than 10 million job seekers since Fiscal Year 2018.

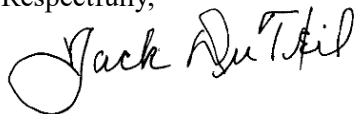
Improve and Enhance the Work Opportunity Tax Credit Act (H.R. 6833) – WOTC has remained unchanged since its enactment in 1996. This bill will provide employers with greater resources to extend employment opportunities to those who face significant barriers to employment by increasing the WOTC wage base and encourage longer-service employment by adding a second level of credit for employees who qualify with additional work hours. This legislation builds on the previous successes of WOTC while factoring in a number of economic changes since its enactment.

Reservist Pay Equity Act (H.R. 3253) – Since 9/11, Reserve Component (RC) members have spent hundreds of millions of duty days away from their homes, families, and employers. Current law affords certain employers the ability to claim a tax credit equal to 20 percent of up to \$20,000 of differential pay provided to an RC member on active duty for more than 30 days. Unfortunately, the tax credit has not kept pace with the economy and must be modernized. H.R.3253, the *Reservist Pay Equity Act*, rights this wrong by increasing the tax credit to 50 percent of up to \$20,000 of differential pay provided with an annual cost of living adjustment.

Supporting Veteran Caregivers – Caregivers participating in the VA’s Program of Comprehensive Assistance for Family Caregivers (PCAFC) receive a stipend that is treated as non-taxable income, and therefore, receive no credit toward future Social Security or Medicare benefits despite the fact they leave the job market to care for veterans with significant service-connected disabilities. The Coalition asks the Committee to provide an equivalent credit to the caregivers’ Social Security and Medicare benefits account equivalent to the amount of their PCAFC stipends to increase the long-term financial security of veteran caregivers.

Thank you for considering these provisions. TMC looks forward to working with you on these provisions and other areas of mutual interest.

Respectfully,

A handwritten signature in black ink that reads "Jack Du Teil". The signature is written in a cursive, flowing style.

Jack Du Teil
President
The Military Coalition

The Military Coalition

Air Force Sergeants Association (AFSA)
Air and Space Forces Association (AFA)
AMVETS (American Veterans)
Association of the United States Navy (AUSN)
Blue Star Families (BSF)
Blinded Veterans Association (BVA)
Chief Warrant Officers Association of the U.S. Coast Guard (CWOA)
Fleet Reserve Association (FRA)
Gold Star Wives of America (GSW)
Iraq and Afghanistan Veterans of America (IAVA)
Jewish War Veterans of the United States of America (JWV)
Marine Corps League (MCL)
Marine Corps Reserve Association (MCRA)
Military Chaplains Association of the United States of America (MCA)
Military Officers Association of America (MOAA)
Military Order of the Purple Heart (MOPH)
Military Order of the World Wars (MOWW)
National Defense Committee (NDC)
National Military Family Association (NMFA)
Naval Enlisted Reserve Association (NERA)
Non-Commissioned Officers Association (NCOA)
Reserve Organization of America (ROA)
Service Women's Action Network (SWAN)
The Independence Fund (TIF)
The Retired Enlisted Association (TREA)
Tragedy Assistance Program for Survivors (TAPS)
United States Army Warrant Officers Association (USAWOA)
USCG Chief Petty Officers Association (CPOA)
Veterans of Foreign Wars (VFW)
Vietnam Veterans of America (VVA)