

June 3, 2026

Re: Ensuring Better Interest Treatment and Deductibility Act (EBITDA)

Dear Congressional Republicans:

The undersigned businesses and associations urge you to cosponsor H.R. 8101/S. 4221, the “Ensuring Better Interest Treatment and Deductibility Act.” Recently introduced with significant support from several cosponsors, these bills would encourage investment in the United States.

The ability of businesses to borrow funds fuels economic growth. By contrast, hindering the ability of businesses to borrow harms economic growth; it curtails business investment in new or expanded production facilities and hiring. The tax treatment of business interest drives companies’ ability and willingness to borrow funds for investment.

Under current law, the ability to deduct business interest expense is limited by section 163(j) of the Internal Revenue Code to 30% of the taxpayer’s adjusted taxable income (ATI). As a result of recent changes, however, certain sources of international income earned by U.S. businesses are excluded from ATI for purposes of calculating the section 163(j) limitation. This change, which applied retroactively to existing debt, has already had a devastating effect on some U.S. companies, penalizing them unexpectedly for past borrowing while encouraging them to borrow and invest outside the United States. This new limitation on business interest deductibility is more restrictive than in most other countries, leaving the United States at a distinct disadvantage.

Restoring a globally competitive interest deductibility standard is a key America First policy that will help unleash domestic investments. Restoration will build upon recent changes to the Internal Revenue Code that promote domestic investment, including permanent 100% bonus depreciation, expensing of domestic research expenses, and full expensing for industrial and manufacturing buildings. Unfortunately, the change to section 163(j) that excludes certain international income (much of which generates residual U.S. tax) from ATI greatly undermines these pro-growth policies by making it more expensive for global businesses to borrow, invest, and hire in the United States.

For these reasons, we urge you to join the chorus of supporting members by cosponsoring the Ensuring Better Interest Treatment and Deductibility Act.

Sincerely,

Alliance for Chemical Distribution
American Chemistry Council
Business Roundtable
Global Business Alliance
Information Technology Industry Council
National Association of Manufacturers
National Foreign Trade Council
The Council of Insurance Agents & Brokers
U.S. Chamber of Commerce
Albemarle

Asurion
Celanese
Dell Technologies
Dow
FMC
Illinois Tool Works
Olin
PPG Industries
SABIC