

United States Senate

WASHINGTON, DC 20510

September 17, 2014

Dear Colleague,

We write to encourage you to join our letter to U.S. Treasury Secretary Jacob Lew to oppose a repeal of the “last-in, first-out” (LIFO) accounting method. As we work towards tax reform, it is important to make clear that a repeal of LIFO would cause undue harm to businesses across the country.

Relied upon by manufacturers, retailers, distributors, and small businesses, LIFO is a widely accepted and legitimate inventory accounting method that has been recognized in our tax code for more than 70 years. Repealing LIFO could result in a retroactive tax increase for many companies—costs that could be borne by employees and consumers, while hindering further investment, growth and innovation from the business community.

We hope you will join us in urging the U.S. Department of Treasury to oppose a repeal of LIFO in future tax reform discussions, which should focus on policies that spur job creation and economic growth, not penalize businesses that have played by the rules.

Please contact Nick Catino at Nick_Catino@Donnelly.Senate.Gov or Bart Massey at Bart_Massey@Enzi.Senate.Gov if you would like to join us in signing this letter or to request additional information

Thank you for your consideration.

Sincerely,


Joe Donnelly
U.S. Senator


Michael B. Enzi
U.S. Senator