FOR IMMEDIATE RELEASE

Contact:
Amy Krouse
akrouse@aslrra.org
(Cell) 312-371-6947
(Direct) 202-585-3438

U.S. House of Representatives Supports Short Line Tax Credit at Record High Numbers

272 Representatives Have Signed On to the BRACE Act, H.R. 510

WASHINGTON, September 17, 2019 – One week after obtaining the 60th supporter of the BRACE Act in the Senate, the American Short Line and Regional Railroad Association (ASLRA) today announced a historic high of 272 supporters of the companion bill in the U.S. House of Representatives, H.R. 510, calling for permanence of the Short Line Tax Credit (45G). The Short Line Tax Credit, which offers a credit of $.50 for each private dollar spent on freight rail upgrades and maintenance up to a cap of $3,500 per track mile annually, has been renewed six times since 2005, driving more than $4B in private investment, but last expired in December 31, 2017 and currently awaits extension.

“Congressional leadership must work together to secure certainty and renewed investment for the thousands of small communities and small businesses served by short line railroads,” said Chuck Baker, President of ASLRA. “This BRACE Act bill has an overwhelming amount of bi-partisan support, with an almost exactly even split of Democrats and Republicans. The credit has the clear support of Congress and it has been reviewed and recommended for renewal by both the House Ways and Means Committee and the Senate Finance Committee within the past year. Evidence provided in an independent study..."
completed by PwC is clear – this is simply smart public policy that maximizes investment in efficient, safe, and environmentally friendly freight transportation for thousands of shippers throughout the country, particularly in the agricultural, energy, and manufacturing industries, and it also drives employment and growth in the railroad supplier community and in the regional economies where railroads operate.”

On September 10, 2019, ASLRAA members met with over forty Congressional offices seeking a path forward for the Tax Credit before the end of 2019.

In addition to bi-partisan support of the BRACE Act, Congress has taken multiple actions to renew the Credit, which had been in effect since 2005, and expired December 31, 2017.

In the 116th Congress:

- August 13, 2019 – U.S. Senate Finance Committee Business Cost Recovery Task Force released their report on the evaluation of six tax credits including the Short Line Tax Credit (45G). In their introduction of the report, Task Force Co-Leads Senator Mike Crapo (R-IN) and Senator Ben Cardin (D-MD) stated, “two in particular have proven on their merits to receive a permanent extension – Section 45G and Section 179D.”

- June 20, 2019 – The House Ways and Means Committee passed the “Taxpayer Certainty and Disaster Tax Relief Act of 2019” (H.R. 3301), which would extend a variety of tax provisions, including the short line 45G tax credit, from 2018 through 2020.

- February 28, 2019 - the “Tax Extender and Disaster Relief Act of 2019” (S. 617), was introduced by Senators Chuck Grassley (R-IA) and Ron Wyden (D-OR), Chairman and Ranking Member of the Senate Finance Committee. Section 109 of the bill provides for the extension of Short Line Tax Credit (sec. 45G) from 2018 through 2019.

For more on the Tax Credit and its benefits, visit www.aslrra.org.

# # #

About ASLRAA - The American Short Line and Regional Railroad Association (ASLRAA) is a non-profit trade association representing the interests of the nation’s 603 short line and regional railroads and railroad supply company members in legislative and regulatory matters. Short lines operate 47,500 miles of track in 49 states, or approximately 29% of the national railroad network, touching in origination or termination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network. www.aslrra.org