

November 2, 2017

The Honorable Orrin Hatch, Chairman
U.S. Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden, Ranking Member
U.S. Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Kevin Brady, Chairman
U.S. House Committee on Ways & Means
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Richard Neal
U.S. House Committee on Ways & Means
1106 Longworth House Office Building
Washington, DC 20515

Dear Chairmen Hatch and Brady and Ranking Members Wyden and Neal:

As your committees work toward a simpler, fairer tax code that benefits American families and encourages job creation and economic growth, ASAE and the attached list of associations respectfully urge you to keep in mind the implications of any changes to tax law for the nonprofit and not-for-profit sector. We urge you to protect the vital work that associations and other tax-exempt organizations perform across the nation and the world.

With more than 39,000 members, the American Society of Association Executives (ASAE) is the largest organization in the world representing the interests of associations. Our organizational members are trade associations and individual membership societies that represent almost every sector of the economy and countless professions. Together, our members represent 7,400 organizations and create a vibrant community that make the world smarter, safer, and better every day.

Non-dues revenue is critical for associations to survive financially and fulfill their tax-exempt purpose. That purpose is expressed through professional development and skills training, publications, credentialing, research, and charitable and community service. Associations build a stronger economy, enhance job skills, improve systems and structures, and strengthen lives. At the heart of our community are people – researchers, innovators, mentors, communicators – whose expertise and hard work collectively help to create a stronger America and world.

In 2016, there were 63,866 trade and professional associations on record with the IRS. These organizations employ 1.3 million people, generating an annual payroll of nearly \$51 billion. Despite their tax-exempt status, associations are by no means exempt from all taxes. Associations contribute substantially to national, state, and local economies across the country. Included among the taxes associations pay are federal payroll taxes, state and local taxes, real estate taxes, personal property

taxes, sales and use taxes, franchise taxes, taxes on lobbying activities, and taxes on unrelated business income (UBIT).

Within tax reform, potential changes to UBIT are of chief concern to the association community. Depending on various changes that may be considered, associations could be forced to make stark changes related to their activities and income sources, and may have difficulty continuing the work they do in communities across the country. Most associations depend on income from passive royalties to advance their tax-exempt purpose, and changes in this area could have broad and negative ramifications for the entire association community.

Associations make America stronger. In virtually every industry and sector, associations advance workers' job skills and create new employment opportunities. We implement programs and impact policies that strengthen America's safety and security – on roadways, waterways, jobsites, the Internet and everywhere in-between. As you finalize the difficult work of reforming the tax code, our request is that you consider the positive impact of our sector before making any changes to the tax code that would negatively impact our work.

Thank you for the opportunity to provide comments on this important issue. Please let us know how we can contribute in any way to this important discussion by contacting Jim Clarke, senior vice president of public policy, at 202.626.2865 or jclarke@asaecenter.org.

Sincerely,

The American Society of Association Executives
(ASAE)

ABET

Academy for Eating Disorders

Access Marketing & Events

Advanced Medical Technology Association

Aerospace Medical Association

AIA Maryland, Inc.

Air Conditioning Contractors of America (ACCA)

Air Traffic Control Association (ATCA)

Airport Minority Advisory Council

Alabama Council of Association Executives

Alpha Omega International Dental Fraternity

Alpha Xi Delta's Women's Fraternity

American Academy of Neurology

American Academy of Nursing

American Alliance of Museums

American Alliance of Orthopedic Executives

American Animal Hospital Association

American Association for Laboratory Animal
Science

American Association of Diabetes Educators

American Association of Neuromuscular &
Electrodiagnostic Medicine

American Association of Radon Scientists and
Technologists

American Bus Association

American Coatings Association
American College Health Association
American Composites Manufacturers Association
American Concrete Pavement Assn.
American Counseling Association
American Dental Hygienists' Association
American Farm Bureau Federation
American Fraternal Alliance
American Frozen Food Institute
American Galvanizers Association
American Group Psychotherapy Association
American Industrial Hygiene Association
American Institute of Architects
American Malting Barley Association
American Musicological Society Inc.
American Physical Therapy Association
American Quarter Horse Association
American Society for Clinical Laboratory Science
American Society for Clinical Pharmacology & Therapeutics
American Society for Gastrointestinal Endoscopy
American Society of Addiction Medicine
American Society of Anesthesiologists
American Society of Civil Engineers
American Society of Clinical Oncology
American Society of Home Inspectors
American Society of Interior Designers (ASID)
American Society of Radiologic Technologists
American Society of Travel Agents
American Traffic Safety Services Association
American Veterinary Distributors Assoc.
AMPED Association Management
Anne Arundel County Association of REALTORS
Asheville Home Builders Association
ASIS International
Association of Boards of Certification
Associated Equipment Distributors
Associated General Contractors of America
Associated Logging Contractors - Idaho, Inc.
Association Activision
Association Executives of North Carolina
Association for Behavioral and Cognitive Therapies
Association for Middle Level Education
Association for Research in Vision and Ophthalmology
Association of Corporate Counsel
Association of Government Accountants
Association of Proposal Management Professionals
Association of Women's Health, Obstetric & Neonatal Nurses
Association Strategies Inc
Associations North
Aurora Regional Chamber of Commerce
Automotive Fleet & Leasing Association (AFLA)
AVIXA, The Audiovisual and Integrated Experience Association
Book Industry Study Group
Building Material Suppliers Association
Calabrese Management

California Assisted Living Association	DHI Door Security and Safety Professionals
Capitol Hill Management Services	Diving Equipment and Marketing Association
Carolinas AGC	Door Security and Safety Foundation
CAWA - Representing the Automotive Parts Industry	Electrical Apparatus Service Association, Inc. (EASA)
Chicagoland Bowling Proprietors Association	Electronic Retailing Association
Child Neurology Society	Energy Equipment and Infrastructure Alliance
Commission on Rehabilitation Counselor Certification	Engineering Conferences International
Community Behavioral Healthcare Association of Illinois	Entomological Society of America
Concrete Foundations Association	Events Industry Council
Congress of Chiropractic State Associations	Fabricators and Manufacturers Association, International
Connecticut Chiropractic Council	Federal Managers Association
Connecticut Society of CPAs	Financial Services Institute
Consortium for School Networking	Financial Shares Corporation
Construction Management Association of America	Florida Association of Native Nurseries (FANN)
Construction Specifications Institute	Florida Chiropractic Association
Construction Specifications Institute Foundation	FPA of the East Bay
Consumer Technology Association	Georgia Food Industry Association
Cook-Witter, Inc.	Georgia Restaurant Association
Council for Advancement and Support of Education	Glass Packaging Institute (GPI)
Council on Foundations	Global Management Partners, LLC
Crossgates Management, Inc.	Global Risk Management Institute
Cure HHT	Government Executives International
Custom Management Group	Greater Alexandria Area Association of Realtors, Inc
Dennison & Associates	Greater Raleigh Convention & Visitors Bureau
Destination Marketing Association of the West (DMA West)	Group Foundation for Advancing Mental Health
	Hawaii State Chiropractic Association
	Health Cooperative Strategies, LLC

Healthcare Administrative Technology Association
Hearth, Patio & Barbecue Association
Hemp Industries Association
HIGH IMPACT Mission-based Consulting & Training
Home Builders Association of Metro Portland
Illinois Chiropractic Society
Illinois State Bowling Proprietors Association
Independent Bankers Association of Texas
Independent Community Bankers of America
Independent Insurance Agents of Virginia
Infectious Diseases Society of America
Institute for Hazardous Materials Management
Institute of Food Technologists
Institute of Management Accountants, Inc.
Insurance Agents & Brokers Association
Interlocking Concrete Pavement Institute
International Society on Thrombosis and Hemostasis
International Association of Exhibitions and Events
International Association of Forensic Nurses
International Association of Lighting Designers
International Association of Special Investigation Units (IASIU)
International Board for Certification of Group Psychotherapists
International Foodservice Distributors Association
International Franchise Association
International Literacy Association

International Public Management Association for Human Resources
International Sign Association
Interscholastic Equestrian Association
Invest In the USA (IIUSA)
Investments & Wealth Institute
ISACA
Jimmy John's Franchisee Association (JJFA, Inc.)
Johnson Lambert LLP
Kentucky Association of Master Contractors
King County Bar Association
LeadingAge Oklahoma
Life Sciences Trainers & Educators Network
LLC Consulting
International Association of Optometric Executives
Louisiana Affordable Housing Management Assn.
M Presley Group, LLC
Magnet Schools of America
Maryland Chiropractic Association
Mason Contractors Association of America
Massachusetts Board of Real Estate Appraisers
Massachusetts Facilities Administrators Association (MFAA)
Metals Service Center Institute
Metropolitan Builders Association
Michigan Biosciences Industry Association - MichBio
Michigan Society of Association Executives
Mid Atlantic Society of Association Executives

Mid-Atlantic Affordable Housing Management Association

Middle Tennessee Association of REALTORS

Midwest Political Science Association

Minneapolis Area Association of REALTORS®

Minnesota Builders Exchange

Minnesota Chiropractic Association

Minnesota Golf Course Superintendents Association

Minnesota Nursery & Landscape Association

Missouri Bankers Association

Mortar Board National Foundation Fund

Mortar Board, Inc.

NAIFA Mt. Diablo

NAIFA SF Peninsula

NAMA (National Automatic Merchandising Association)

NAMSS

NASPA - Student Affairs Administrators in Higher Education

National Active and Retired Federal Employees Association (NARFE)

National Affordable Housing Management Association

National Air Transportation Association

National Apartment Association

National Association of Chain Drug Stores

National Association of Chemical Distributors

National Association of Clean Water Agencies

National Association of Concessionaires

National Association of Directors of Nursing Administration/Long Term Care, Inc.

National Association of Elementary School Principals

National Association of Insurance and Financial Advisors (NAIFA)

National Association of Professional Employer Organizations

National Association of REALTORS®

National Association of Veterans' Research and Education Foundations (NAVREF)

National Auctioneers Association

National Automatic Merchandising Association (NAMA)

National Board for Certified Counselors

National Coffee Association USA

National Concrete Masonry Association

National Confectioners Association

National Council of Teachers of English (NCTE)

National Council on Family Relations

National Golf Course Owners Association

National Grange

National Grocers Association

National Ground Water Association

National Investor Relations Institute

National Lumber and Building Material Dealers Association

National Multifamily Housing Council

National Pawnbrokers Association

National PTA

National Rural Electric Cooperative Association

National School Foundation Association

National School Transportation Association

National Shooting Sports Foundation

National Society for Histotechnology
National Society of Professional Engineers
National Stone, Sand & Gravel Association
National Terrazzo & Mosaic Association
National Waste & Recycling Association
Naylor Association Solutions
Nelson Strategic Consulting
Nevada Chapter AGC
New Hampshire Grocers Association
New Jersey Academy of Family Physicians
New Jersey Society of Optometric Physicians
New Mexico Chiropractic Association
New York Chiropractic Council
North American Vascular Biology Organization
North Carolina Association of Pharmacists
North Carolina Center for Nonprofits
North Carolina Veterinary Medical Association
NTCA-The Rural Broadband Association
NYS Association of School Business Officials
Ohio Osteopathic Association
Ohio Society of CPAs
PAHMA
Painting and Decorating Contractors of America (PDCA)
PASAE - Pennsylvania Society for Association Excellence
PATH Intl.
Pennsylvania Child Care Association
Pennsylvania Chiropractic Association
Pennsylvania Funeral Directors Association
Pet Industry Distributors Association

Population Association of America
Raybourn Group International
Regulatory Affairs Professionals Society
Results Technology
Risk and Insurance Management Society
Rochester Home Builders' Association
Rocky Mtn - Affordable Housing Management Association
Rogue Valley Association of REALTORS
Salon & Spa Professional Association Inc
School Nutrition Association
Scott Oser Associates, Inc.
Secondary Materials and Recycled Textiles Assoc.
Security Industry Association
Senior Executives Association (SEA)
SmithBucklin
Society for Marketing Professional Services
Society for the Advancement of Material and Process Engineers
Society for Vascular Surgery
Society of Actuaries
Society of American Florists
Society of Interventional Radiology
Society of Petroleum Engineers
Society of Teachers of Family Medicine
South Bay Association of REALTORS*
Southeastern Affordable Housing Management Association (SAHMA)
Southwest Cable Communications Association
Special Libraries Association

Spencer Educational Foundation, Inc.
Sports & Fitness Industry Association
Stucco Manufacturers Association
SYTA
Tag and Label Manufacturers Institute, Inc.
Texas Alliance of Energy Producers
Texas and Southwestern Cattle Raisers Association
Texas Food and Fuel Association
Texas Society of Association Executives
Textile Care Allied Trades Association
The Builders' Exchange Association of Virginia
The Electrical Board of MO and IL
The Fertilizer Institute
The Honor Society of Phi Kappa Phi
The Institute of Internal Auditors
The International Association of Venue Managers (IAVM)
The Ohio Society of Association Executives
The Printing Industry of the Carolinas, Inc.
Tilt-Up Concrete Association (TCA)
Tire Retread Information Bureau
Turfgrass Producers International
TVD Associates, Inc.
United Fresh Produce Association
United Motorcoach Association
United States Catholic Mission Association
UPCEA
Utah Medical Association
Van Petten Group, Inc.
Vermont Insurance Agents Association

Virginia Association of Secondary School Principals
Virginia Foundation for Educational Leadership
Virginia Independent Automobile Dealers Association, Inc.
Virginia Sheriffs' Association, Inc.
Virginia Society of Association Executives (VSAE)
Virginia Society of Certified Public Accountants
Virginia Veterinary Medical Association
Visit Duluth
Washington State Veterinary Medical Association
Water Environment Federation
West Maricopa County Regional Association of REALTORS, Inc.
Wisconsin Association of Mutual Insurance Companies
Wood Machinery Manufacturers of America

CC:
Members of the Senate
Members of the House of Representatives