

May 5, 2026

The Honorable Scott Bessent  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

**Re: Treasury Regulatory Agenda and Reform**

Dear Secretary Bessent:

On behalf of the undersigned associations, which represent thousands of large and small businesses across every sector of the U.S. economy, we write in united support of the Department of the Treasury's approach to regulatory decision-making. We applaud the Department's efforts to simplify tax compliance and request the continued expeditious issuance of guidance pursuant to H.R. 1, which subsequently became Public Law 119-21 ("the Act").

The Act provided much-needed tax certainty for our member companies by permanently restoring and extending critical provisions that support job-creating investments, accelerate innovation, and make American businesses more competitive globally. The Act built on the incredible success of the Tax Cuts and Jobs Act, delivering a stable, pro-growth tax code that helps maintain our status as the best country in the world to do business. To maximize its economic effects, Treasury's timely issuance of regulatory and sub-regulatory guidance is critical.

Given the Act's substantial regulatory workstreams, we are especially grateful for Treasury's additional focus on deregulatory items in the 2025-2026 Priority Guidance Plan ("PGP"). Regardless of business size or sector, directing resources towards complying with unnecessarily complex regulatory requirements—instead of towards our employees, investment, and innovation—hampers the role we play in U.S. economic growth and high-quality job creation. Particularly for our smaller companies, unduly burdensome compliance costs can directly delay or alter major business decisions on expansion or hiring, which in turn affects our local communities. To be clear, we recognize—and fully accept—that business taxation plays a vitally important role in funding the government and ensuring all Americans believe that the burden of taxation is fairly distributed. However, excessive complexity and unnecessary compliance burdens provide no benefit to taxpayers or the government and can undermine the belief that the tax system is being administered equitably by contributing to a perception that those with sufficient resources can "game the system." The streamlining of regulations emphasized in the PGP is a welcome effort to reexamine and reduce needless, counterproductive complexity.

We also applaud the guiding principles for regulatory actions recently shared publicly by Treasury officials. Those principles include favoring standards over rigid rules; allowing reasonable methods over a single approach; and avoiding regulatory drafting that focuses on worst-case scenarios. Based on our members' collective experience, allowing flexibility within a standards-based framework appropriately recognizes that companies may use different accounting methods and will save resources for both taxpayers and the government.

We acknowledge that there is a balance between a standards-based approach and providing clarity to taxpayers. In certain cases, principles may need to be supplemented with more detailed guidance to ensure that taxpayers understand how to comply. Similarly, we do not support a deregulatory agenda that

would prevent the government from identifying and addressing abuses. However, regulatory efforts that chase every hypothetical fact pattern, no matter how well-intentioned, only hurt effective tax administration. Regulations seeking “perfect” coverage of every possible scenario will inevitably fail in that attempt and generate significant additional compliance costs without producing incremental revenue for the government.

Thank you again for your efforts and considering our views on this matter. As the PGP recognizes, the guidance process can be fully successful only if Treasury has the benefit of the insight and experience of those who apply the rules. To that end, we stand ready to continue a productive dialogue as Treasury’s regulatory and deregulatory efforts continue.

Sincerely,

Alliance for Competitive Taxation

Business Roundtable

National Association of Manufacturers

U.S. Chamber of Commerce

CC: The Honorable Kenneth J. Kies, Assistant Secretary, Tax Policy  
Kevin Salinger, Deputy Assistant Secretary, Tax Policy  
Rebecca Burch, Deputy Assistant Secretary, International Tax Affairs