



*Natural building blocks for quality of life*

July 22, 2005

The Honorable Charles Grassley  
United States Senate  
Washington, DC 20510

Dear Chairman Grassley:

It is vital that you vote to permanently repeal the death tax when a cloture vote on the issue and the legislation itself is brought before the United States Senate next week. A clear majority of senators support permanent repeal of the death tax, but 60 votes will be needed to both overcome a potential filibuster and to clear the budget point of order on final passage.

NSSGA is the largest mining association in the world by volume according to the U.S. Geological Survey. More than three billion tons of aggregates (or 2.8 billion metric tons) were produced in the U.S. in 2004 at a value of approximately \$16 billion, contributing \$37.5 billion to the GDP of the U.S. The aggregates industry workforce is made up of about 115,000 men and women – most of whom work for small, family-owned businesses. Every \$1 million in aggregates sales creates 19.5 jobs, and every dollar of industry output returns \$1.58 to the economy. Construction purposes makes up 96 percent of the aggregates market (roads/highways, residential construction, commercial buildings and public works).

Every American “uses” ten tons of construction aggregates a year – by driving or riding on our streets (94 percent of asphalt is construction aggregate), walking on our sidewalks, living in our apartments or homes (an average home uses 400 tons of construction aggregate), working in our factories or office buildings or stores, learning in our schools, or drinking treated water (80 percent of concrete is construction aggregate).

There are more than 10,000 aggregate operations nationwide employing these individuals, owned by over 3,000 companies. Most of those companies are small, family owned enterprises. Aggregate operations are in every state and in 70 percent of the congressional districts. The production of stone, sand and gravel is a basic industry, but one not well known to the American public, as few of our construction materials are sold directly to consumers. Nevertheless, certain aggregates in pulverized form also go into such varied products as glass, paper, paint, pharmaceuticals, cosmetics, chewing gum, and household cleansers. Our natural materials are essential for the safety, security and high quality of life of all Americans.

In 2001, Congress passed and the President signed into law legislation that phases out the death tax, leading to complete repeal in 2010. The death tax repeal was not permanent due to Senate rules, however, and unless action is taken, the tax will be fully reinstated in 2011. This creates an uncertainty that has made it almost impossible for families, farms and small businesses, like those

aggregate companies owned by many of our members, to make sound, long-term financial plans for their futures.

The taxation of death is inherently unfair. Americans who strive to build successful businesses should not be punished by having their government take up to 55 percent of their estates when they die, forcing their heirs to sell businesses that in some cases have been in the family for generations and costing American workers their jobs.

In March of this year, *The New York Times* conducted the most recent poll on abolition of the death tax. It found 76 percent of those surveyed saying that they opposed **any** tax on inherited assets. When people were given the option of having the tax apply only to estates of more than \$3.5 million – far more than the average American would hope to have – 50 percent of people said that they still favored complete abolition of the estate tax.

Congress can stop the death tax from coming back. The House of Representatives earlier passed legislation to permanently repeal this unfair tax. The Senate now needs to act. H.R. 8, the House-passed bill to permanently repeal the death tax, is likely to be brought before the Senate next week. The time is now to restore the ability of small, family-owned businesses to engage in sound, long-range planning in order to help them to grow and provide even more jobs to the U.S. economy.

Sincerely,



Jennifer Joy Wilson  
President & CEO  
National Stone, Sand & Gravel Association  
1605 King Street  
Alexandria, VA 22026