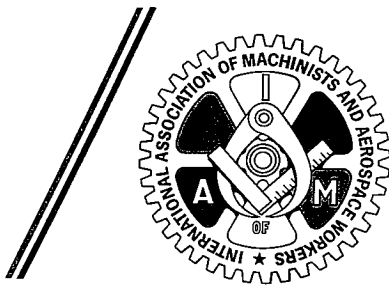


**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

GL-2 Legislative

January 21, 2010

Subject: Machinists Oppose Excise Tax

Dear Representative:

I am writing on behalf of several hundred thousand active and retired members of the International Association of Machinists and Aerospace Workers (IAM) in response to reports that various labor organizations have come to an agreement on the proposed "excise tax." We remain adamantly opposed to any health care reform legislation that is funded by taxing the value of workers' existing health care benefits whether it includes a temporary exemption for collective bargaining agreements or not.

Eliminating or capping the tax exclusion would undermine employer-sponsored coverage by removing a key incentive that employers have for providing coverage. Limiting the tax exclusion on benefits would also punish people who receive what every American should have: essential benefits such as dental and vision care, access to a wide variety of providers and affordable out-of-pocket-costs. For dedicated workers who have sacrificed salary increases in order to maintain these benefits, it would be extremely unfair to now impose a premium-based tax on their coverage.

Over the last decade, the middle class has been asked to shoulder a greater share of the responsibility for funding federal services, compared with the wealthiest among us. Eliminating the tax exclusion would further the regressive shift in tax policy.

The American people want to see their health care costs lowered, not increased. They want a strong public option that keeps insurance companies honest, force them to slow premium increases and make sure coverage will be there for all of us. American families expect elected officials to help make coverage more affordable, not less so.

We continue to support a public option and urge you to reject any proposals to cap or eliminate the tax exclusion for employer-sponsored health coverage.

Sincerely,

R. Thomas Buffenbarger
International President

RTB/tlz