



**IAM**  
UNION

International Association of Machinists  
& Aerospace Workers

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## **IAM SUPPORTS THE NO TAX BREAKS FOR UNION BUSTING ACT**

**Position: The IAM Union strongly supports the No Tax Breaks for Union Busting Act (S. 1310, H.R. 2692),** which would amend the U.S. tax code to eliminate federal tax deductions for expenses related to employer efforts to dissuade or coerce workers from exercising their right to form and join unions.

The IAM Union Strongly Supports the No Tax Breaks for Union Busting Act led by Senators Ben Ray Luján (D-NM), Senator Tina Smith (D-MN), and Senator Cory Booker (D-NJ), and Representatives Donald Norcross (D-NJ), Brendan Boyle (D-PA), and Judy Chu (D-CA). This needed legislation would eliminate federal tax deductions for expenses related to employer efforts to interfere with union organizing campaigns. The legislation would also establish Internal Revenue Service reporting requirements for employers who intervene in protected labor activities.

The IAM Union applauds these lawmakers for introducing this long-overdue legislation. Under U.S. law, workers have the clearly stated right to form and join unions with their if they choose. It is blatantly counter to U.S. public policy that corporations receive public subsidies, in the form of tax breaks, to coerce and intimidate workers against unionization. Currently employers avoid taxation on these anti-union expenses by simply writing them off as business tax deductions.

A March 2023 report by the Economic Policy Institute (EPI) found that companies spend more than \$433 million annually on union-busting activities, including the hiring of outside antiunion consultants. The report adds that consultants are often paid in excess of \$350 per for their work to defeat union organizing efforts.

A 2019 report by EPI concluded that employers were charged with violating federal laws in nearly 42 percent of all union election campaigns in 2016 and 2017. That included actions such as coercion, intimidation and retaliation. Employers are spending nearly \$450 million dollars per year to fund efforts that blatantly violate federal labor law, and U.S. taxpayers should not be subsidizing this often illegal, antiunion activity.

Union busting, or union avoidance campaigns, have a chilling impact on workers' ability to exercise their right to freely form and join unions. This legislation would end the taxpayer subsidization of these anti-union, anti- American campaigns.

**The IAM Union urges Congress to co-sponsor and support passage of the No Tax Breaks for Union Busting Act (S. 1310, H.R. 2692).**