



International Association of Machinists & Aerospace Workers

IAM DEMANDS NO MORE TAX BREAKS FOR UNION BUSTING

Position: The IAM supports the legislation **No Tax Breaks for Union Busting (S. 737)**, also known as NTBUB, which would amend federal tax laws to end deductions for the expenses that companies accrue in efforts to dissuade or coerce their workers from exercising their collective bargaining rights. The bill has been introduced in the Senate by Sen. Bob Casey (D-PA), and to be introduced in the House by Reps. Donald Norcross (D-NJ), Judy Chu (D-CA) and Brendan Boyle (D-PA).

The NTBUB bill would:

- Classify business' interference in worker organization campaigns as political speech under the tax code and therefore not tax deductible.
- The legislation would also establish IRS reporting requirements for employers who intervene in protected labor activities.

The legislation is long overdue. It's unfair that corporations get public subsidies (tax breaks) to hire persuaders (consultants) to convince workers to not exercise their rights to form a union and collectively bargain. These companies like Amazon can simply write them off as a business expense, which is therefore eligible for a tax deduction.

It has been reported that companies spent about \$340 million annually on union-busting activities, including the hiring of outside consultants.

These millions are often spent for companies to violate federal labor law. A 2019 report by the Economic Policy Institute (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, threats, and retaliation.

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