Dear Speaker Ryan, Minority Leader Pelosi, Majority Leader McConnell, and Minority Leader Schumer:

We write to express our concerns with any tax package that includes relief for communities impacted by natural disasters that does not include eligibility for individuals and businesses impacted by federally declared disasters across the State of Wisconsin.

This week, the Ways and Means Committee Chairman Kevin Brady released a proposal that provides tax relief for certain areas affected by natural disasters; however, it arbitrarily limits which communities are eligible for relief, creating an inequitable situation in which some American families are provided much needed assistance while others are left to fend for themselves as they continue the long road to recovery. It is bad public policy to provide tax relief to only high-profile natural disasters like hurricanes, wildfires, and volcanoes while excluding other communities throughout the country that suffered heavy damage and significant economic losses from other weather events, including the severe flooding, tornadoes and landslides that Wisconsinites faced this year. While these disasters may not capture national headlines, they have been devastating for families, business owners, and communities in our state who are left to rebuild. Indeed, the damage in Wisconsin was severe enough to warrant President Trump granting a federal disaster declaration for the impacted areas, just like he did for the tragic, higher-profile weather events mentioned above. It would defy the principles of fairness and commonsense to treat these recovering communities—all of which are included in federal disaster declarations—differently.

This year, heavy rainfall, severe flooding, strong winds, and tornadoes affected areas across Wisconsin including the southwestern, southern, central, and eastern parts of the state. In a three-day period, Dane County residents experienced recurring rainstorms that resulted in 20 inches of rain, which set a state precipitation record. The town of Gays Mills was also nearly entirely engulfed with water just hours after storms, and many others also witnessed historic levels of flooding. Additionally, central Wisconsin experienced 19 tornadoes and widespread damaging
winds of 90-110 mph on August 28th. Tragically, two Wisconsinites were killed in storm-related incidents.

In these situations, targeted tax relief is a commonsense way to help individuals recover. In particular, ensuring losses from disasters are deductible and waiving the 10 percent penalty for withdrawing funds from retirement accounts to recover from a disaster would provide a much-needed reprieve for taxpayers getting their lives back on track. Further, creating a credit for farms and businesses rendered inoperable by disasters that retain their employees is both a way for businesses to retain capable employees and for individuals to avoid displacement due to a temporary lapse in employment.

Providing this tax relief to all communities included in all federal disaster declarations will allow for individuals, businesses, and families to take recovery efforts into their own hands. We thank you for your consideration of our request to expand tax relief to all areas rebuilding from disasters.

Sincerely,

Ron Kind
Member of Congress

Tammy Baldwin
United States Senator

Gwen Moore
Member of Congress

Mark Pocan
Member of Congress