## Congress of the United States

Washington, DC 20515

March 10, 2025

The Honorable Mike Johnson Speaker U.S. House of Representatives H-232, The Capitol Washington, DC 20515

## Dear Speaker Johnson:

We write to urge you not to repeal the tax credits supporting electric vehicles established in the Inflation Reduction Act through the budget reconciliation process. Repealing these credits would have negative consequences for businesses and workers across our economy.

When Congress enacted these tax credits in the IRA, their costs were offset and they were made permanent, giving certainty to businesses and consumers alike. Eliminating them now to pay for tax cuts for the wealthiest individuals, as Republicans have proposed, would raise costs for American consumers and strike a devastating blow to the American auto industry. Ford Motor Company CEO Jim Farley made it clear recently: "we've already sunk capital – even though we've rationalized it – in battery production and assembly plants all through Ohio, Michigan, Kentucky, and Tennessee. And many of those jobs will be at risk if the IRA is repealed."

American automakers have built business plans around the IRA's tax credits for EV battery manufacturing. The IRA established a tax credit of \$35 per kilowatt-hour (kWh) for domestically produced battery cells and \$10 per kWh for domestically produced battery modules, as well as a ten percent cost credit for mining and producing critical minerals and components for batteries. Additionally, the IRA included up to \$7,500 in tax credits for buyers of clean vehicles like plug-in EVs.

Together, these tax credits for EV manufacturers and buyers led American EV sales to quadruple under the Biden Administration and continue to fuel historic investment in American manufacturing. Businesses announced at least \$112.9 billion in private investments in EV and battery manufacturing since the IRA's passage. They also announced 106,500 new jobs in connection with those investments and are predicted to announce hundreds of thousands more in the years to come, not to mention all the other positive impacts for American businesses up and down the supply chain.

Republicans ought to do everything they can to keep these tax credits intact, considering that roughly 84 percent of the private investments in EV and battery manufacturing announced since the IRA became law were made in congressional districts currently represented by a Republican. Indeed, of the 25 districts that have seen the greatest private investment in these areas since the IRA became law, 21 are currently represented by a Republican. Additionally, 68,467 jobs connected to these new projects are in Republican-held House districts.

Repealing these IRA tax credits puts these jobs and investments at risk. Mr. Farley said that in addition to the Trump Administration's tariffs, cutting these credits would "blow a hole in the U.S. [auto] industry that we have never seen." As the U.S. tries to remain competitive with China in the EV market and all sectors of the economy, our economy's future depends on these critical investments in the industries that will define the twenty-first century.

Sacrificing these EV tax credits just to help the wealthiest individuals get out of paying their fair share in taxes will cost Americans their jobs and American businesses their revenue. We urge you to change course and work with Democrats to ensure that American workers and manufacturers can Make It In America.

Sincerely,

Member of Congress

Sean Casten

Member of Congress

Henry C. "Hank" Johnson, Jr.

Member of Congress

Member of Congress

Mark Takano

Member of Congress

Member of Congress

Member of Congress

Steve Cohen

Member of Congress

Member of Congress

N Tokula

Pramila Javapal

Member of Congress

Gilbert Ray Cisneros, Jr.

Member of Congress

Julia Brownley

Member of Congress

Mike Thompson
Member of Congress

Emanuel Cleaver, II Member of Congress

Danny K. Davis
Member of Congress

Raúl M. Grijalva Member of Congress

Shri Thanedar Member of Congress

Gerald E. Connolly
Member of Congress

Ro Khanna Member of Congress Nanette Diaz Barragán

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Nanette Diaz Barragán Member of Congress

Eleanor Holmes Norton Member of Congress

Jimmy Panetta Member of Congress

Mary Gay Scanlon
Member of Congress

Salud Carbajal Member of Congress

Mark DeSaulnier
Member of Congress

Haley M. Stevens
Member of Congress

Bill Foster

Bill Foster

Member of Congress

Mike Levin

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Dina Titus

Member of Congress

Member of Congress

Member of Congress

Teresa Leger Fernandez Member of Congress

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Lasheda flail

Rashida Tlaib Member of Congress

Valerie P. Foushee Member of Congress

Member of Congress

James P. McGovern

Member of Congress