



May 8, 2025

The Hon. Jason Smith
Chairman
Committee on Ways and Means
1139 Longworth House Office Building
Washington, DC 20515

The Hon. Richard Neal
Ranking Member
Committee on Ways and Means
1139 Longworth House Office Building
Washington, DC 20515

Dear Chairman Smith and Ranking Member Neal:

I am writing on behalf of the American Society of Travel Advisors (ASTA) and the nearly 200,000 travel professionals we represent to share our views on the upcoming budget reconciliation debate as it pertains to a tax provision key to our members' business success.

ASTA is the world's leading professional travel trade organization. Travel agencies – online, “brick and mortar” and many hybrid business models in between – play a critical role in the broader travel and tourism economy in our country. According to the Small Business Administration, 98 percent of travel agencies are small businesses, and our membership ranges from independent home-based entrepreneurs to traditional storefront agencies to the largest travel management companies and online travel agencies.

As you are aware, the 2017 Tax Cuts and Jobs Act (TCJA) established a temporary deduction for pass-through firms under Section 199A that is equal to 20 percent of a firm's qualified business income (QBI), subject to certain limitations. As independent contractors and self-employed individuals, roughly half of all travel advisors qualify for this deduction and utilize it to reduce their gross income. It has allowed for substantial tax savings for these members, many of whom are small business owners that count every penny. These tax savings have allowed them to further invest in their business and in the communities in which they live and work. Our members overwhelmingly reported in a recent survey that if the Section 199A deduction is allowed to expire, the increased tax burden would significantly impact their business. Some even informed us that it would affect their ability to employ staff or compete with other travel agencies and could affect the travel industry as a whole.

As you continue to debate the reconciliation package and the expiring TCJA provisions, we urge you to extend the Section 199A deduction. This simplified, more equitable tax deduction is an extremely vital part of the ongoing success of the growing travel agency industry throughout the nation. Thank you for considering our views on this issue. If you or your staff have any questions, I encourage you to contact Jessica Klement, Vice President of Advocacy, at jklement@asta.org or 703-739-8711.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Zane Kerby", is written over a light blue circular background.

Zane Kerby
President and CEO

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ASTA.org