Submit your ACA reporting forms to IRS—March 2 deadline

In 2018, the Internal Revenue Service (IRS) will require employers subject to the Affordable Care Act’s (ACA) reporting requirements to prepare and file Form 1095-C on their employees. For information on who is required to complete a Form 1095-C and guidance on how to complete it as an employer covered under a multiemployer health and welfare plan, please see SMACNA’s Guidance on Applicable Large Employers from 2015 when the requirement first went into effect. Making clear these forms would be required in 2018, the IRS published final forms and instructions to help employers prepare for reporting on health coverage they offered to their employees in 2017. The IRS recently extended the deadline to file by 30 days. Forms must be distributed to employees and filed with the IRS by March 2, 2018.

In addition, the IRS extended transition relief from penalties under sections 6721 and 6722 to reporting entities that can show that they have made good faith efforts to comply with the information reporting requirements. Below is a list of the final forms. Search Forms and Instructions on the IRS website www.irs.gov.

- Form 1095-B, Health Coverage.
- Form 1094-B, Transmittal form accompanying Form 1095-B information returns.
- Form 1095-C, Employer-Provided Health Insurance Offer and Coverage.
- Form 1094-C, Transmittal form accompanying Form 1095-C information returns.
- Instructions for Forms 1094-B and 1095-B.
- Instructions for Forms 1094-C and 1095-C.

SMACNA member testifies at U.S. Capitol on bipartisan multiemployer pension proposal

On Jan. 9, U.S. Reps. Phil Roe (R-1st-Tenn.) and Donald Norcross (D-1st N.J.) hosted a bipartisan roundtable discussion at the U.S. Capitol where they unveiled the Give Retirement Options to Workers (GROW) plan, a bipartisan effort heavily supported by SMACNA designed to modernize and strengthen the multiemployer pension system for the future.

SMACNA contractor Carol Duncan, chief executive

Capitol Hill Update

Congress passes $1.5 trillion tax package

After narrowly approving their respective House and Senate versions of H.R. 1, the “Tax Cuts and Jobs Act,” the U.S. House and Senate met in conference to draft and pass a compromise version on Dec. 20, just in time for the pre-Christmas adjournment deadline. The conference agreement, which President Trump signed on Dec. 22, significantly cuts corporate and individual taxes and seeks to simply the tax code, although most individual tax provisions would expire after 2025. It reduces the corporate tax from 35 percent to 21 percent and reduces taxation of so-called “pass-through” businesses where profits are taxed at the individual rate.

Continued on page 9

Meets with...


Representatives of NYC SMACNA recently attended a reception at the home of Rep. Carolyn Maloney (D-12th-N.Y.). Rep. Maloney has been a longtime supporter of the construction industry and spoke at the CEA National Issues Conference.
President’s Column

Meet SMACNA President: Jack Knox

We’re taking a break from the typical President’s Column and giving you an in-depth look at 2017-2018 SMACNA President Jack Knox.

A fourth generation SMACNA contractor, Jack is president of R.F. Knox Company Inc. in Smyrna, Ga., near Atlanta. His firm has performed on many high-profile projects in Atlanta, from the Georgia Dome to the new Mercedes Benz Stadium. We asked Jack some questions about his business and his business philosophy. And, we had some fun questions, too.

• The comments I continually hear about my shop are: That people are amazed at our capacity—over 100,000 square feet under roof between four buildings, located on eight acres of well-groomed grounds. The other thing I continually hear is how diverse the work we do is. We have the capability to fabricate and install anything from ductwork to tanks to handrails.

• What is your favorite project? I take pride in all the projects we do. Large pharmaceutical plants, hospitals, technology/data centers, and higher education are our typical mix of work, but I probably am moved more by doing work at our local hospitals. Knowing that life begins and unfortunately ends there is a humbling and sobering thought. Knowing that we are responsible for the indoor air quality makes us raise our game.

• What was your toughest project? I would say fabricating and installing spiral ductwork (from 68 inches up to 96 inches) lined with spiracoustic for the new Mercedes Benz Stadium in Atlanta. Fabrication was tough due to the size and the multiple steps we had to go through just to fabricate and deliver a 10-foot piece. From an installation standpoint, our guys were working from a platform over 150 feet in the air—now that’s a challenge. I am pleased to say that we completed the project on time and with zero injuries!

• The business tool I can’t live without: My phone, and then next is my laptop. With as much travel as I’m doing, I can log into my work system from the road at any given time, and complete just about any task as if I am at my desk. I would be lost without them.

• The new technology I’m most excited about: We continue to look at ways to eliminate paperwork in the shop and field. Providing our folks with apps that report time, daily tasks, and jobsite safety requirements is one small example.

• My outside interests: I enjoy the outdoors—golfing, bird hunting, fishing, exercising, and traveling with my family.

• My secret weapon for making jobs run smoother is: Communication and taking 100 percent responsibility for everything you do.

SMACNA member testifies at U.S. Capitol on bipartisan multiemployer pension proposal

Continued from page 1

officer, General Sheet Metal (GSM), shared her hope that the GROW plan would allow her to invest in the future, create more jobs, and one day hand down her business to her daughter. Without passage of the GROW plan, significant liabilities can exist when passing ownership of a company to the next generation.

Other participants spoke about the importance of strengthening the multiemployer system, focusing their comments on the need to preserve and protect retirement benefits to support and retain qualified workers.

Also participating in the roundtable discussion were Michael Scott, executive director, National Coordinating Committee for Multiemployer Plans (NCCMP); Brent Booker, secretary-treasurer, North America’s Building Trades Unions (NABTU); and Brian Turmail, vice president of public affairs and strategic initiatives, Associated General Contractors of America (AGC).

Early bird deadline Jan. 26

Sign up for 2018 Collective Bargaining Orientation

Are you ready for the upcoming bargaining season? SMACNA’s 2018 Collective Bargaining Orientation is packed with the latest industry information and best practices, and will help you negotiate effectively.

This content-rich, one-day workshop in Dallas on March 13, will provide advice on proper preparation for bargaining, the legal framework for bargaining, and managing situations when things get tense.

This program is particularly helpful for young contractors and new negotiating and bargaining committee members. In fact, it is a great refresher for seasoned bargainers as well, as content is continually updated and refreshed.

There’s still time! Registration deadline is Jan. 26, 2018. Register online today on SMACNA’s Labor Relations webpage www.smacna.org/labor.

If you have any questions about the program, please contact Jason Watson at SMACNA National (jwatson@smacna.org / (703) 803-2981).
Council of Chapter Reps discuss safety, recruiting apprentices

Members of SMACNA’s Council of Chapter Representatives met in Tucson, Ariz., in December to discuss and examine current industry issues and emerging trends such as managing safety through technology, recruitment programs, and how contractors can get paid on time.

How to get paid on time. Thomas C. Schleifer Ph.D., a faculty member at Arizona State University and a respected speaker at SMACNA conventions and educational programs, shared his thoughts with participants on how contractors can get paid on time. He said there was major disconnect between owners, designers, general contractors, and subcontractors. “Late payments to contractors violate contracts and multiply risks,” he noted.

Managing safety through technology. Rob McKinney of JB Knowledge Inc. engaged the council in a discussion on how new apps can help manage safety on the jobsite, which can translate into potential savings for contractors. (See the new apps SMACNA offers on our Tools, CAD & Apps webpage.)

Chapter-Union partnerships capture jobs. Several chapters shared their successful initiatives working with their labor partners. SMACNA Detroit discussed its “Ready to Work Safety Program.” This agreement between SMACNA Detroit and SMART Local 80 created a state-of-the-art safety program that helps contractors capture jobs as owner requirements and safety standards continue to become mandatory in bid documents—a win-win for both contractors and union members.

Ideas for recruiting more apprentices. The SMACNA Milwaukee Chapter also engaged the council in a conversation on their “Choose Bigger” campaign to aggressively recruit young people into apprenticeships and “make a better choice for a bigger future.” Visit their website at www.choosebigger.com for details.

Open forum addresses benefits. In addition to the topics above, the open forum also discussed:

1. Prescription medicine benefits.
2. Trust fund investment management fees.
3. Manpower shortages.
4. Apprentice recruitment: Who is responsible and what are the winning strategies?
5. Specification modifications.

SMACNA National staff also updated chapter councilors on current legislative, labor, and safety issues.

Council election. Matthew Sano, contractor councilor of the Sheet Metal Contractors Association of Philadelphia and Vicinity, was elected as 2018 council vice chair. Julie Ann Muller-Neff, executive director of the SMACNA Western Washington Chapter, will be the 2018 council chair.

To download the council meeting presentations, choose the Council of Chapter Representatives link on the “For Chapter Executives” section of SMACNA’s Chapter webpage.

Partners in Progress Conference, Orlando, Fla., Feb. 13-14

Tips for maximizing your success

How can you get the most out of the upcoming 2018 Partners in Progress conference? Here are a few tips to help you take full advantage of all the program has to offer and exchange valuable ideas with other chapters and local unions.

Here’s what you need to do before the conference:

• Determine your list of priorities. Talk with your chapter executive and contractor colleagues about the pressing industry issues, then come up with a list of priorities.
• Talk with your local union about the needs and opportunities you can work on locally.
• With these needs in mind, review the conference schedule before you arrive in Florida to determine which sessions would be the most valuable to address your needs.
• Can’t attend them all? Strategically divide the sessions among your entire labor management delegation and plan for everyone to report back to the group and share what they learned.
• Plan to spend some time together with your local union while in Orlando outside of the conference sessions.
• Plan a follow-up meeting within a month of the conference to develop a plan of action to implement what you have learned.
• Open your mind to new ideas and positive change.

The 2018 Partners in Progress conference takes place Feb. 13-14 at the Hilton Buena Vista Resort, Orlando, Fla.

Register today and come ready to “Communicate, Commit, and Deliver” to strengthen your partnership with labor.

For more information, visit www.pinp.org/pinp18/. #PINP18

Championing the Virtual Design and Construction approach

Leading members of the architectural, engineering, and construction (AEC) industry are championing the virtual design and construction process—a change that is slowly but dramatically transforming the way projects are completed.

A new SMACNA white paper on this timely subject is now available. Virtual Design and Construction Practice: Benefits, Challenges, and Proven Strategies for AEC Team supports the Virtual Design and Construction (VDC) approach and offers insights into the growing use of virtual design on construction projects.

This free white paper describes the opportunities and challenges of VDC including three case studies completed by SMACNA member A. Zahner and Company of Kansas City, Mo.

VDC requires the design and construction team to collaboratively simulate every step of a project before beginning work on the actual jobsite.

Download this free white paper on SMACNA’s Architectural Market Sectors webpage at www.smacna.org.
Business Management University—A key factor in your success

Get your real-world education started at SMACNA’s comprehensive Business Management University, Feb. 25 to March 1, in Tempe, Ariz., where industry experts will share their best financial and management practices for running a profitable sheet metal and HVAC business.

A few seats remain for the 2018 program. Enrollment is limited, ensuring individual participation with a close-knit group of talented, motivated colleagues.

Using group activities, case studies, and homework assignments, you will master:

<table>
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<th>Topic</th>
<th>Speaker</th>
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<tbody>
<tr>
<td>The Contractor’s Survival Guide and Practical Business Planning</td>
<td>Thomas Schleifer, Ph.D</td>
</tr>
<tr>
<td>How to Manage and Control Change Orders</td>
<td>Stephane McShane</td>
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<tr>
<td>Effective Negotiations, Planning a Strategy, and Improving Persuasion Skills</td>
<td>Michael Geraghty</td>
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<tr>
<td>Productivity and How to Work Smarter, Not Harder</td>
<td>Richard Reese</td>
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<tr>
<td>Leadership, Time Management, and the Big-Picture View</td>
<td>Kevin Dougherty</td>
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Register today on SMACNA’s National Educational Programs webpage. Additional attendees from the same company will also receive a discount.

For more information, contact Bridgette Bienacker, SMACNA’s director of business management and membership at bbienacker@smacna.org.

SMACNA members strongly encouraged to fill out 2018 Safety Survey

SMACNA’s 2018 Safety Survey is now online and ready for you to complete with your safety numbers. Many SMACNA members have benefited from this valuable program by winning safety awards or using the safety data to improve their own safety and health cultures.

Each year, SMACNA conducts this annual Safety Excellence Awards Program (SSEAP) to recognize members for their outstanding safety performance while collecting significant safety and health data. SMACNA also administers a survey program for Canadian member contractors. We now have two dynamic initiatives to recognize member safety excellence in both countries.

All SMACNA members can access the online annual Safety Survey from SMACNA’s safety webpage. Selecting your state or province will direct you to the appropriate survey for the U.S. or Canada.

All entries must be received by May 4.

Your input is critical to the success of the program. Most information needed can be found in your company’s 2017 injury and illness records. Submitting your survey is quick, easy, and confidential.

See SMACNA’s most recent Safety Statistics Profile 2017 on the Surveys and Statistics section of SMACNA’s Safety webpage at www.smacna.org/safety.

For more information, contact Mike McCullion, SMACNA’s director of market sectors and safety (mmccullion@smacna.org / (703) 995-4027).

Supervisor Training Academy, March 19-21, St. Louis

Hot new topics for 2018 put your leaders on success track

SMACNA’s newly expanded 2018 Supervisor Training Academy features more industry experts and new content to teach new and up-and-coming leaders how to meet real-world challenges.

In addition to Kevin Dougherty’s expert sessions on effective leadership, productivity, and profitability, the program has added speakers Stephane McShane and Nic Bittle to share their wisdom and experience on driving project success and developing your workforce.

Registration is now open—sign up by the early bird deadline Feb. 2 and receive a discount.

In this content-rich, 2½-day, hands-on course, your supervisors—from shop foremen to superintendents—will learn:

- The attributes of a successful sheet metal supervisor including the eight core values of a successful supervisor.
- How to implement a time management system.
- How to improve internal company communication.
- The importance of documentation and follow-up.
- How to develop a mentoring and coaching plan.
- How to properly delegate and hold workers accountable.
- How to manage conflict.
- Tactics for job planning and project management.
- How to motivate workers.

Sign up today on SMACNA’s Educational Programs webpage. Additional employees from the same company will receive a discount.

For more information, contact Bridgette Bienacker, SMACNA’s director of business management and membership, bbienacker@smacna.org.
Welcome 2018 Associate Members!

Platinum

It’s Our Business to Protect Yours
FEDERATED INSURANCE®

VICON

Gold

DAIKIN
MESTEK MACHINERY
Milwaukee

Titus
GREENHECK
Building Value in Air.

quotesoft
Mechanical Estimating

JM Johns Manville
A Berkshire Hathaway Company

Silver

AUTODESK
OWENS CORNING
FASTEST, INC.
Estimating Software

HARDCAST
K-FLEX USA
DURO DYNEx

Kingspan.

CLWARD
K-FLEX USA

Trimble.

RUSKIN
RMBX
RHUMBIX

retrotec

MAJESTIC STEEL USA

Ductmate Industries, Inc.

TRANE
GRIPPLE
Welcome 2018 Associate Members!

Join SMACNA’s
Associate Member Program

And Forge Long-Term Relationships with Top Industry Contractors

SMACNA’s Associate Member program is a unique opportunity for industry suppliers to showcase their products and services to SMACNA members—the industry’s premier contractors. It is more than a sales encounter. It is a valuable opportunity to engage members and build lasting relationships with the “Who’s Who” of the HVAC and sheet metal industry.

Learn more on SMACNA’s Associate Member webpage.

To join this select group, contact Scott Groves (sgroves@smacna.org / (770) 576-4971).

Start your successful partnership with SMACNA today.

SMACNA welcomes these new and returning 2018 Associate Members. Join us in supporting the following companies:

Platinum
- Federated Insurance Co., Owatonna, Minn. (Premier Partner)
- Vicon Machinery LLC/Plasma Automation Inc., Bohemia, N.Y.

Gold
- Daikin Applied, Minneapolis (Premier Partner)
- DeWalt, Baltimore
- Greenheck, Schofield, Wisc.
- Johns Manville, Denver
- Mestek Machinery, Cedar Rapids, Iowa (Premier Partner)
- Milwaukee Tool, Brookfield, Wis. (Premier Partner)
- Quote Software Inc., Eugene, Ore.
- Titus, Plano, Texas (Premier Partner)

Silver
- Applied Software, Atlanta
- Autodesk Inc., Waltham, Mass.
- CADDY, Solon, Ohio
- C.L. Ward and Family Inc., Canonsburg, Pa.
- Data-Basics Inc., Bedford, Ohio
- Ductmate Industries Inc., Charleroi, Pa. (Silver Patron member)
- Duro Dyne Corp., Bay Shore, N.Y.
- FastEST Inc., Wichita, Kan.
- Hardcast, Wylie, Texas
- K-Flex USA LLC, Youngsville, N.C.
- Kingspan Insulation LLC, Atlanta
- Majestic Steel USA, Cleveland
- Owens Corning, Toledo, Ohio
- Retrotec, Everson, Wash.
- Rhumbix, San Francisco
- Ruskin Air and Sound Control, Grandview, Mo.
- Sheet Metal Connectors Inc., Minneapolis (Silver Patron member)
- Trane, Davidson, N.C.
- Trimble, Westminster, Colo.

Bronze
- Gripple Inc., Aurora, Ill.
Submit your ACA reporting forms to IRS—March 2 deadline

Continued from 1

Health and Welfare Funds’ separate reporting requirement

Employers should keep in mind that insurance companies and health and welfare funds have a separate reporting requirement. The health and welfare fund’s reporting will not satisfy the employer’s obligation to report.

Questions on reporting may be directed to Joye Blanscett in SMACNA’s Labor Relations Department at jblanscett@smacna.org.

Meet SMACNA President: Jack Knox

Continued from page 2

- My favorite quote: John Wayne said, “Courage is being scared to death, but saddling up anyway.”
- My favorite motto: Never think of yourself better than others, always be willing to get in the ditch.
- My biggest business hurdle: Finding the right talent.
- The best business advice I ever received: You’ve got to be willing to say no. The easiest way for a company to go under is not because they didn’t have enough work, it’s because they had too much.
- What makes me mad at work: People that don’t take responsibility and communicate.
- My secret to running a successful business: Treat others as you want to be treated. Be a good steward of what you have been blessed with. Give people a reason to stick around.
- The sports teams I cheer: Auburn University and the Atlanta Falcons.

Jack grew up working in his father’s (Fred Knox) sheet metal shop. He officially entered the industry as an estimator two days after graduating from Auburn University. When his father retired in 2007, Knox became president of the 103-year-old firm.

SMACNA’s 75th Annual Convention travels to San Diego

This is the start of a special anniversary year for the convention and the association with some very special activities planned. SMACNA journeys to the renowned seaport of San Diego for our 75th Annual Convention at the San Diego Marriott Marquis and Marina, Oct. 14-17, 2018. SMACNA will hold this event for the first time in San Diego and the picturesque setting only adds to the excitement.

You’ll take part in fabulous opening ceremonies, world-class business sessions, the Product Show, exciting entertainment, and fun activities—all at the four-star San Diego Marriott Marquis and Marina.

You’ll enjoy spectacular views of the harbor punctuated by the aircraft carriers, destroyers, and ships docked at the largest U.S. Navy base in the West Coast. You might even catch some U.S. Navy Seals (“Sea, Air, and Land”) teams on patrol.

The San Diego Marquis and Marina is located in a convenient location in close proximity to the famous Gaslight District, Balboa Park, and the San Diego Zoo. This magnificent hotel has two free-form swimming pools, a full-service spa, award-winning cuisine, and more than 277,000 square feet of convention space. A perfect location for SMACNA’s historic 75th Annual Convention.

Watch the SMACNA website for convention registration and announcements coming soon.

Chapter in the News

Detroit’s “Access for All” is meeting demand for jobs

In Detroit, both management and labor partners are building a program that helps low-income workers launch their careers.

Glenn Parvin, president, CASS Sheet Metal, Detroit.

During the economic downturn several years ago, many Detroit residents had to search for any job that could pay the immediate bills instead of a promising career that could provide a future. Building trades unions and their affiliated contractor associations stepped up with the Access for All program – accessforalldetroit.com – to help those seeking a career in construction find a pathway to success.

That investment is paying off now that the Motor City’s economy has turned around, and there is unprecedented demand for skilled union construction workers, according to SMACNA contractor and CASS Sheet Metal President Glenn Parvin.

“We want to create a better Detroit and create more opportunities for residents,” he said.

Mr. Parvin is a board member for the sheet metal apprenticeship training center sponsored by the International Association of Sheet Metal, Air, Rail and Transportation Workers (SMART) Local 80 and contractors of the SMACNA Metropolitan Detroit Chapter.
Still time!

Sign up for Safety Champions Conference, Feb. 25-27

Don’t miss the chance to be part of beneficial labor–management safety discussions at the Safety Champions Conference Feb. 25-27, at the Talking Stick Resort in Scottsdale, Ariz.

During the main sessions, you’ll learn about the Foundations of Safety Leadership, a dynamic new training program offered by training centers and companies as an elective during OSHA 30-hour training courses.

You’ll also learn about new trends, including companies that are moving away from simple safety programs to initiate company-wide safety cultures.

The conference is sponsored by SMACNA and the Sheet Metal Occupational Health Institute (SMOHIT), and is traditionally attended by SMACNA contractors and SMART and JATC representatives. Anyone who has a voice or interest in safety is welcome to attend. It is free to all Industry Fund contributing contractor representatives—you only need to pay for travel expenses and hotel accommodations.

The SMOHIT Safety Matters Awards will also be presented to individuals and companies who have a passion for keeping workers safe and healthy.

SMACNA contractors interested in attending or submitting candidates for Safety Matters Awards, please contact SMACNA Director of Market Sectors and Safety Mike McCullion (mmccullion@smacna.org / (703) 995-4027) or visit the SMOHIT website, www.smohit.org.

College of Fellows is calling for exceptional contractors

SMACNA members are the finest and most generous in the industry. Do you know a SMACNA contractor who stands head and shoulders above the rest? There’s still time to nominate your candidates this year for SMACNA’s distinguished College of Fellows, but hurry! Nominations are due Feb. 9.

The College of Fellows recognizes candidates who have offered outstanding service, both nationally and locally, to the association and the industry.

Download the nomination forms from the SMACNA College of Fellows webpage. Please note that there are two types of nomination forms—one for chapter executives and one for contractor members—so be sure to use the proper nomination form.

For more information, please contact Jason Watson at SMACNA National (jwatson@smacna.org / (703) 803-2981).

Make a difference

Attend 2018 National Issues Conference, May 8-10

You will have a chance to directly influence national policies and legislative issues that impact the specialty construction industry when you attend the CEA National Issues Conference in Washington, D.C., May 8-10.

In addition to talking one-on-one with your lawmakers on Capitol Hill, you will learn about the latest issues, regulations, and legislation moving through Congress from SMACNA representatives, policy-makers, and from your legislators themselves.

You’ll also have a chance to discuss issues and ideas with your fellow contractors and chapter executives dedicated to similar legislative agendas.

For more information, contact SMACNA’s Capitol Hill office at (202) 547-8202. Watch for registration opening soon on the SMACNA website.

Time for students to apply for a SMACNA scholarship

Let SMACNA help you reach your potential with a College of Fellows scholarship. SMACNA’s College of Fellows is now accepting applications online for the 2018-2019 academic year.

Scholarship applications are due March 31.

The SMACNA College of Fellows Scholarship Program is open to eligible students from the SMACNA extended family to help further their undergraduate education at an accredited four-year college or university.

SMACNA’s extended family includes SMACNA contractors, employees of SMACNA contractors, SMACNA Fellows, employees of local SMACNA chapters, employees of SMACNA National, SMACNA National Associate Members, and members of the families of any of these groups.

Applicants may pursue any course of study, however, focus is placed on students considering a career in the sheet metal industry. Applications are available on SMACNA’s College of Fellows webpage.

For questions about the scholarship program, contact Jason Watson at SMACNA National (jwatson@smacna.org / (703) 803-2981).
Capitol Hill Update

Congress passes $1.5 trillion tax package

Continued from page 1

SMACNA had long advocated for lower corporate and pass-through business tax rates on contractors, maintaining tax advantages for private activity bonds (PABs), enhancing historic preservation/rehab tax credits, lowering estate taxes, and allowing HVAC and roofing investments to be considered expensing allowable property expenses.

For corporations, the legislation also establishes a new “territorial” tax system that exempts most overseas income from U.S. taxation. Most individual tax rate rates would be reduced by dropping the top rate from 39.6 percent to 37 percent, and eliminating personal exemptions. In addition, the standard deduction would nearly double, so fewer taxpayers will itemize deductions.

The bill contains a long list of provisions, many endorsed by SMACNA over the years. The key provisions include:

- Seven individual income tax brackets would remain: 10 percent, 12 percent, 22 percent, 24 percent, 32 percent, 35 percent, and 37 percent. The top rate would fall from 39.6 percent.
- The corporate tax rate would drop to 21 percent from the current 35 percent, effective 2018.
- Lowering and improving pass-through tax rates for partnerships and S corporations by setting a 20 percent business income deduction for the first $315,000 in income earned by pass-through businesses.
- A new provision allows for the IRS Section 179 capital expensing of roofing, fire safety, and HVAC upgrades for nonresidential structures, while also increasing the limit to $1 million.
- Business interest deductions would be capped at 30 percent of income (excluding depreciation).
- Retaining the tax advantages of private activity bonds (PABs) for state and local infrastructure after House repeal.
- Retaining the historic preservation and rehab credits for construction and development.
- Eliminating the corporate alternative minimum tax (AMT) but it retains individual AMT with higher limits.
- The estate tax would remain but the exemption from it would be doubled to $11.2 million per individual.
- Limiting state and local tax deductions. The plan would allow the deduction of up to $10,000 in state and local sales, income, or property taxes. This is especially punishing for at least a dozen states with above average levies.
- The personal exemption would be eliminated, but the legislation would increase the standard deduction to nearly double its current level. It would go to $12,000 for an individual or $24,000 for a family.
- For those who do itemize, mortgage interest could be deducted on up to $750,000 of a home loan.
- Repeal of the 2010 health-care law’s individual mandate, reducing health-care coverage benefits for 13 million insured taxpayers to help offset the measure’s tax cuts.
- A voluntary one-time repatriation tax levy of 7.5 percent with a 14.5 percent levy for returning cash assets.

179D Commercial Building Energy Retrofits, Tax Extenders Act (S. 2256).

During the summer, Reps. Dave Reichert (R-8th-Wash.), Earl Blumenauer (D-3rd-Ore.), and Tom Reed (R-23rd-N.Y.) introduced H.R. 3507, The 179D Extension Act.

The bill featured some modest reforms to the retrofit incentive and would make permanent the energy-efficient commercial buildings deduction. SMACNA strongly and often advocated for H.R. 3507.

All our individual and coalition advocacy had an impact, as now the Senate has included H.R. 3507 in the SMACNA-supported legislation, S. 2256, The Tax Extenders Act of 2017, a collection of important bills extending expired or expiring tax incentive provisions for both energy efficiency and nuclear power production. The tax extenders legislation would expand IRS Section 179D to include more generous tax incentives and would boost HVAC retrofits of commercial buildings.

SMACNA is making the case for lower tax rates while retaining targeted retrofit, rehab and construction project investment financing incentives that are vital to construction markets and building activity.

The Tax Extenders Act of 2017 (S. 2256) legislative package includes:

- Extension of IRS Section 179D.
- Tax incentives for solar, geothermal, efficient homes, combined heat and power, nuclear power financing, and empowerment zone construction bond financing.

This bill is expected to see action in the Senate Finance Committee sometime in January with floor action to follow soon after. House action on the extenders package awaits the Senate deliberation and passage.

Stay on top of legislative issues and contact your members of Congress with your views on SMACNA’s Advocacy webpage, www.smacna.org/advocacy/take-action.

Tax extenders introduced in Senate. Committee action soon. Floor action by spring.
SMACNA reminders

January 2018
- Chapter Executive Institute – Jan. 28-30, San Diego

February 2018
- Partners in Progress Conference – Feb. 13-14, Orlando, Fla.
- Business Management University – Feb. 25-March 1, Tempe, Ariz.

March 2018
- Collective Bargaining Orientation – March 13, Dallas
- Association Leadership Conference – March 15-16, Irving, Texas
- Supervisor Training Academy – March 19-21, St. Louis

April 2018
- Project Managers Institute – April 22-25, Raleigh, N.C.

May 2018
- Financial Boot Camp – May 6-9, Tempe, Ariz.
- Safety Surveys Due – May 4

June 2018
- Council of Chapter Representatives – June 10-12, Boston
- NJAB – June 25-27, Philadelphia

Future SMACNA Conventions
- 76th Annual Convention – Oct. 20-23, 2019, JW Marriott, Austin, Texas