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DEAN, NEW JERSEY DELEGATION

November 7, 2017

The Honorable Paul Ryan
Office of the Speaker
H-232
Washington, DC 20515

Dear Speaker Ryan,

I write to express my great concern about the repeal of the adoption tax credit (Sec. 1102(b)) and exclusion for adoption assistance programs (Sec. 1406) in the Tax Cuts and Jobs Act (H.R. 1).

The tax code should support families, and, in a specific way, adoptive families who generously seek to welcome children into their loving homes. Every child deserves a loving family – and it is incumbent on us to assist those parents who seek to build their families through adoption.

By way of background, I introduced the \$5000 refundable adoption credit in four successive Congresses, beginning in 1990.

- H.R. 5957 in 1990, to amend the Internal Revenue Code of 1986 to provide a refundable credit for adoption expenses for individuals adopting children.
- Omnibus Adoption Act of 1991 (H.R. 1753)
- Omnibus Adoption Act of 1993 (H.R. 3029)
- Omnibus Adoption Act of 1995 (H.R. 1066)

The \$5000 adoption tax credit was eventually incorporated in the 1994 Contract with America, leading to its enactment into law as part of the Small Business and Job Protection Act of 1996, sponsored by Rep. Bill Archer (P.L. 104-188). In 2001 the credit was expanded to \$10,000, and adjusted for annual inflation, as a part of the Economic Growth and Tax Relief Reconciliation Act of 2001 (P.L. 107-16). The adoption credit expansion in the bill was authored by then-Rep. Jim Demint. As you know the credit now stands at \$13,460.

Since it was first enacted in 1996 the adoption tax credit has enjoyed bipartisan support. And while this tax credit has a limitless reward, it has a modest cost. Latest reported numbers indicate the credit costs \$355 million annually.

In 1989, I wrote the law designating National Adoption Week, signed by President H.W. Bush (P.L. 101-169). Just a few days ago, President Trump proclaimed November 2017 as National Adoption Month – and affirmed that “we must continue to remove barriers to adoption whenever we can, so that the love and care of prospective adoptive parents can be directed to children waiting for permanent homes.” In particular the proclamation noted that “adoption is a life-changing and life-affirming act that signals that no child in America – born or unborn – is unwanted or unloved.”

I agree, and therefore ask that H.R. 1 be amended to restore the adoption tax credit and exclusion for adoption assistance programs.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark", with a long horizontal stroke extending to the right.A handwritten signature in blue ink, appearing to read "Chris Smith", with a long horizontal stroke extending to the right.

CHRISTOPHER H. SMITH
Member of Congress

CC:
Majority Leader Kevin McCarthy
Chairman Kevin Brady