

Chairwoman of the Committee Subject: Support Letter for HB 4833 and 4834 Julie Calley

Dear Chair Calley and Members of the Local Government and Municipal Finance Committee,

My name is Thomas Klochko and I am with Klochko Equipment Rental Company. We have 2 locations in Michigan and employ 29 people in the state. Our facilities are located in Melvindale (Detroit) and Fairhaven (Macomb).

I am emailing you today to <u>urge your support</u> in passing HB 4833 and 4834, which will be heard in your committee on June 9, 2021.

We are a member of the American Rental Association, which represents large and small equipment rental businesses throughout the state. We purchase and then rent construction and other heavy equipment to contractors, construction companies, businesses, and individuals.

This legislation follows what other states have done, including Indiana, by exempting rental equipment from property tax and replacing it with a new tax to ensure revenue neutrality. The current PPT is very onerous on small business heavy equipment rental companies. As a 70 year old family business, the passing of this bill will certainly help us provide employment and services for another 70 years.

Thank you for your support,

Klochko Equipment Rental Company, Inc