



May 20, 2025

The Honorable Jason Smith Chairman Committee on Ways and Means

The Honorable Michelle Fishbach Member Committee on Ways and Means

United States House of Representatives 1139 Longworth House Office Building Washington DC, 20515

Dear Representatives Smith, Neal, and Fischbach:

competitiveness of Minnesota in the region, the country, and the world.

The Minnesota Council on Latino Affairs is tasked to advise the state government and key policy makers on issues that impact Latinos statewide. Less than a third of Minnesota Latino residents we represent are immigrants, the majority with origins in Mexico, and a significant proportion coming from Central and South America. Their contribution to the labor force and the economy is paramount to the economic strength and

The Honorable Richard Neal

Committee on Ways and Means

Ranking Member

It was brought to our attention that an amendment in Title XI Section 112105 in the tax bill is contemplating the imposition of a 5% levy on remittances sent by certain segments of the population residing in the United States. Such a measure threatens not only hard working and poor families (especially those employed in agriculture and services to help support family members abroad) but it also violates international treaties that specifically forbid double-taxation.

Minnesota is home to approximately 62,597 residents from Mexico, whose workforce participation stands strong at 75.8% (2014-2018).¹ Data provided by the Mexican Embassy in the U.S. indicates that in the nation, Mexican immigrants alone, contributed \$121 billion in 2021. Also, in 2024, Mexican migrant workers sent on average only 16.7% of their labor income as remittances, meaning that more than 80% of the income generated by this community remains in the U.S. economy, stimulating domestic consumption and contributing to the prosperity of our country.

As pointed out by the Mexican Embassy, taxing remittances is counterproductive since such measures tend to be regressive as remittances are usually directed to low-income families who rely on them to meet basic needs. Also, negative side effects would force many migrants to seek informal or unregulated means to send remittances, increasing risks related to financial security, tax evasion, and money laundering.

¹ Bordelon, J., Blazar, B. & Daniels, P. (2025). The Economic Contributions of Immigrants in Minnesota. St. Paul, MN. Minnesota Chamber Foundation.





The Council, and civic leaders undersigning this request, urge you to reconsider and oppose this measure that would have devastating consequences for Minnesota's economy and the families that depend on this source of revenue and consumption in Minnesota, México, and other Latin American countries.

Respectfully,

Rosa Tock | Executive Director | Minnesota Council on Latino Affairs State Representative María Isa Pérez-Vega (65B) Former State Senator Patricia Torres-Ray Ruby Lee | CEO and President | Comunidades Latinas Unidas en Servicio (CLUES) Emilia González-Avalos | Executive Director | UnidosMN Francisco Segovia | Executive Director | COPAL Jovita Morales | Founder and Executive Director | Minnesota Immigrant Network Aaron Johnson-Ortiz | Executive Director | NeoMuralismos de México in Minnesota Annastacia Belladonna | Executive Director | Common Cause MN Lucy Richardson | Executive Director | Hispanic Outreach of Goodhue Miluska Novota | Principal | Hortensia Law Juventino Meza | Attorney at Law | MCLA's Board member Alberto Monserrate | CEO | New Publica Miriam L.D. Goodson | Executive Director |ACHLA-Alliance of Chicanos, Hispanics, and Latin Americans

Cc/

The Honorable Brad Finstad, Congressman MN-CD1 The Honorable Tom Emmer, Congressman MN-CD6 The Honorable Peter Staub, Congressman MN-CD8 The Honorable Angie Craig, Congresswoman MN-CD2 The Honorable Kelly Morrison, Congresswoman MN-CD3 The Honorable Betty McCollum, Congresswoman MN-CD4 The Honorable Ilham Omar, Congresswoman MN-CD5

