

Congress of the United States

Washington, DC 20510

November 7, 2023

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, DC 20220

Secretary Yellen:

We write to urge the U.S. Department of the Treasury to pursue an inclusive CHIPS and Science Act implementation that allows for semiconductor-grade polysilicon production to be eligible for the 48D advanced manufacturing investment tax credit. This is imperative to ensuring that U.S. manufacturers maintain a technological advantage in producing the highest quality polysilicon, the semiconductive material in 99.5 percent of semiconductor chips.

High quality semiconductor-grade polysilicon is typically produced at purity levels greater than eleven nines (99.999999999%). Its production is a highly complex and technologically sophisticated process that is extremely capital intensive. At present, of the six companies that produce the material worldwide, Michigan-based Hemlock Semiconductor Company is the only U.S.-headquartered producer of this hyper-pure polysilicon.

As Members of Congress who helped carefully craft key provisions and proudly supported passage of the CHIPS and Science Act, we are committed to ensuring this historic law meets the primary policy objectives of onshoring semiconductor production in America. A critical component of meeting that objective is maintaining and expanding U.S. leadership in hyper-pure polysilicon production. This will only be possible if hyper-pure polysilicon producers are able to utilize the 48D tax credit in addition to the CHIPS for America Fund – in line with Congressional intent.

We know that President Biden recognizes the important role that polysilicon plays in chip production. We appreciated the President's virtual participation at a celebration of the CHIPS and Science Act at Hemlock Semiconductor Company, where he heralded the bill's passage as a boon for domestic semiconductor production. To ensure this becomes a reality, we strongly urge Treasury to incorporate semiconductor-grade polysilicon production as an eligible activity under the 48D advanced manufacturing investment tax credit in its final rulemaking.

Thank you for your consideration and attention to this matter. We look forward to working with you to grow our economy and improve our supply chains.

Sincerely,



Daniel T. Kildee
Member of Congress



Gary C. Peters
United States Senator



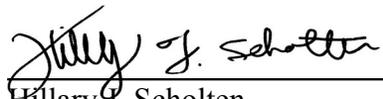
Debbie Stabenow
United States Senator



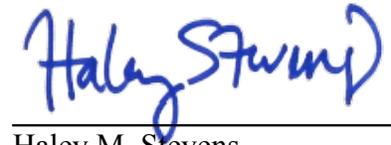
Shri Thanedar
Member of Congress



Debbie Dingell
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Hillary J. Scholten
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Haley M. Stevens
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Elissa Slotkin
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Rashida Tlaib
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