



THE ASSOCIATION OF CHOICE FOR THE SECONDARY WOOD PRODUCTS INDUSTRY

# WPMANEWS

December 2025

## IN THE SPOTLIGHT



Cummings Veneer Products is a fourth-generation, family-owned manufacturer based in Troy, Pennsylvania, specializing in custom wide-plank flooring, wall and ceiling paneling, and thick-sliced or sawn veneer components. Proudly serving manufacturers, millwork shops, and dealers across the United States, the company benefits from a strategic position within a five-hour radius of several major East Coast markets. With roots reaching back to 1929 and the founding of Cummings Lumber Company, Cummings Veneer Products blends generations of woodworking expertise with modern manufacturing technology.

Its wide-plank engineered and solid flooring—sold and marketed through Armenia Mountain Plank & Panel—is crafted to customer specifications and built for stability, precision, and long-length performance. Drawing on its veneer heritage and design-forward approach, the company has expanded vertically into wall and ceiling paneling, offering prime-grade, long-length sliced veneer planks and custom profile options including nickel gap, fluted, and reeded paneling. Whether producing engineered flooring, architectural paneling, or veneer components, Cummings Veneer Products remains a trusted partner for those seeking superior performance, consistent quality, and enduring craftsmanship in every project.

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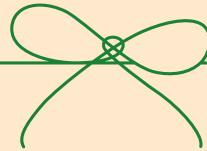
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# HAPPY HOLIDAYS FROM WPMA!

AS WE WRAP UP ANOTHER PRODUCTIVE YEAR, OUR TEAM IS GRATEFUL FOR YOUR CONTINUED SUPPORT, ENGAGEMENT, AND DEDICATION TO THE WOOD PRODUCTS INDUSTRY. WORKING ALONGSIDE SUCH COMMITTED MEMBERS STRENGTHENS OUR ASSOCIATION AND OUR COMMUNITY.

WISHING YOU A JOYFUL HOLIDAY SEASON AND A PROSPEROUS NEW YEAR!  
-MICHELLE, YOLANDA & JENNIFER



## One Big Beautiful Bill (OBBB) changes & how they affect section 179

### Key takeaways

- The One, Big, Beautiful Bill (signed July 4, 2025) includes major, immediate changes affecting business expensing and depreciation for property placed in service in 2025. ([IRS](#))
- Section 179 expensing was expanded under the law – the maximum immediate deduction was raised to \$2.5 million with a higher phase-out threshold (applies to property placed in service in taxable years beginning after 12/31/2024). That means many small/medium manufacturers can expense large equipment purchases right away instead of capitalizing and depreciating over years.
- 100% bonus depreciation (first-year full expensing for qualifying assets) was restored/expanded in the bill for qualifying property placed in service after January 19, 2025 – this can be used in combination with Section 179 in certain situations (but rules and limits differ by asset).
- Vehicle rules matter: heavy vehicles (generally GVWR > 6,000 lbs) commonly used in manufacturing (some pickups, vans, SUVs, box trucks) often avoid the passenger-auto “luxury auto” dollar caps and may be fully expensed under Section 179 (subject to the SUV/Section-179 special caps and business-use rules). Passenger cars and smaller trucks remain subject to annual caps. Keep business-use documentation (≥50% business use typically required).

### Practical examples (for WPMA members)

These examples assume the equipment/vehicle is placed in service in 2025 and the taxpayer otherwise qualifies (business use, taxable income limitation, etc.). Always confirm with your tax advisor before filing.

1. New CNC router, \$300,000
  - Scenario: manufacturer buys a new CNC router for \$300,000, used 100% for business, placed in service in 2025.

## Discount FSC® Certification/Recertification

**UPDATE: FSC® Group Certification eligibility has changed. Companies with less than \$10 million in annual forest product sales OR less than 25 employees. Certifying with our group is about 1/2 the cost of having your own certificate.**

**WPMA members can benefit from our discount FSC® certification assistance.**

### Average Rate:

- \$1,485 - \$3,190 All inclusive
- Rate Includes Annual Group Audit Fee

### Assistance With:

- All required paperwork
- Preparation for annual audit
- Annual educational requirements

**Contact us today for more information! [FSC@wpma.org](mailto:FSC@wpma.org) / 978/874-5445**

- Result: Under Section 179 (limit now \$2.5M), you can elect to expense the entire \$300,000 in 2025, reducing 2025 taxable income immediately – or you could take 100% bonus depreciation instead if that gives better planning results.
2. Forklifts and shop lifts, combined \$450,000
- Scenario: three forklifts + two lifts purchased and placed in service in 2025, total cost \$450,000.
  - Result: These are qualifying equipment – you could expense the full \$450,000 in 2025 under Section 179 (subject to overall limits and business income tests), freeing up cash flow and simplifying 2025 bookkeeping.
3. Heavy pickup (GVWR > 6,000 lbs), \$80,000
- Scenario: buying a heavy pickup or utility van used predominantly for deliveries/field service with GVWR > 6,000 lbs, cost \$80,000, >50% business use.
  - Result: Often eligible for full Section 179 expensing (or 100% bonus depreciation), allowing you to expense most or all of the \$80,000 in 2025. Note there are special SUV/Section-179 dollar caps to watch for (e.g., certain SUVs have a lower Section-179 ceiling like the special \$31,300 figure referenced for some SUV types in 2025); confirm the specific vehicle's rules and GVWR.
4. Passenger car (sedan) for sales rep, \$40,000
- Scenario: \$40,000 sedan primarily used by a sales rep (≥50% business use).
  - Result: Passenger cars remain subject to the IRS "luxury auto" depreciation caps – you cannot necessarily expense the full \$40k in year one. Instead, you'll be limited by annual dollar caps on depreciation/Section 179 for passenger autos. Plan accordingly and talk with your CPA.
5. Large used production equipment \$1.8 million
- Scenario: A mill buys used production equipment for \$1.8M in 2025.
  - Result: The \$2.5M Section 179 limit means you could potentially expense the entire \$1.8M in

2025 (subject to the \$4M phase-out threshold for total purchases and the business income limitation). Additionally, because bonus depreciation rules changed for property placed in service after 1/19/2025, used property may also qualify in some cases – another reason to check specifics with your tax advisor.

#### Important constraints & action items

- Business-use percentage: Section 179 generally requires >50% business use for vehicles; accurate logs/records are critical.
- Phase-outs and taxable income limits: the Section 179 deduction phases out dollar-for-dollar at higher purchase amounts and can't exceed taxable income from the active trade or business (carryforward rules may apply). Check phase-out thresholds for 2025.
- Vehicle GVWR and SUV caps: confirm each vehicle's GVWR and whether it's treated as a "heavy vehicle" (often >6,000 lb GVWR) – that can make a huge difference in first-year expensing. Some SUVs still have a special Section 179 cap (amounts vary by year).
- Placed-in-service date matters: the OBBB provisions apply to property placed in service in taxable years beginning after 12/31/2024 (so purchases placed in service during 2025 are affected). Document the placed-in-service date carefully.

#### Bottom line recommendation for WPMA members

1. **If you purchased (or plan to purchase) machinery, equipment, or heavy vehicles in 2025, run the numbers now – Section 179 and the return of 100% bonus depreciation can create big tax savings and improve cash flow for reinvestment.**
2. **Keep thorough records: purchase invoices, placed-in-service dates, and business-use logs for vehicles.**
3. **Talk with your tax advisor before filing – the interaction between Section 179, bonus depreciation, passenger auto caps, and taxable-income limits can be complex and is highly fact specific. Use the IRS OBBB guidance and the detailed FAQs as a starting point. ([IRS](#))**



## Episode 3 Becoming FSC Certified



**WATCH NOW ON**



# Forget Tariffs – The U.S. Lumber Deficit Will Take Decades to Close

Original Source: Jason Ross <https://woodcentral.com>



*Oregon sits on the frontline of a national lumber squeeze: constrained regional timber, longer haul distances and stricter permitting will keep Pacific Northwest prices and supply stress high even as southern mills attract most new investment. Photo Credit: Rob Crandall shared via Alamy Stock Images.*

The United States has a “structural deficit” in lumber and will lean on softwood imports years after Trump’s presidency, irrespective of global tariffs or presidential orders to “free up forests for lumber production.” That is, according to a new report, which reveals that even if the United States stopped exporting lumber abroad, it would still have a 7 per cent gap between supply and demand. As it stands, the United States accounts for 27 per cent of softwood lumber demand, according to the O’Kelly Acumen and Global Wood Trends report, but produces only about 20 per cent of global supply.

That gap, the authors write, has been filled by imports for decades: over the past 50 years, foreign shipments have supplied between roughly one-quarter and one-third of total U.S. consumption. Canada provides the bulk of those imports – approximately 80 per cent – and is projected to meet more than 22 per cent of the U.S.’s needs in 2025. When growing shipments from Europe are factored in, nearly 30 per cent of U.S. requirements will be met by foreign producers.

Closing that capacity gap is an enormous undertaking. Last month, Wood Central reported that the latest round of tariffs, which took effect on October 16, has

already affected roughly 30 per cent of the structural lumber used to build housing across the United States. A Fastmarkets analysis revealed that the U.S. Forest Service and the Bureau of Land Management would need to increase timber harvests dramatically – by as much as 450 per cent – to cover shortfalls in Canadian plywood, OSB, and softwood lumber that are integral to single- and multi-family construction.

The real issue, the O’Kelly Acumen and Global Wood report reveals, is scale: replacing 25 million cubic metres of imported lumber would require construction of 75 new state-of-the-art softwood sawmills – a build-out that would demand capital investment more than twelve times the total U.S. sawmill investment of the past 15 years and would take over a decade to complete even under ideal conditions.

And the constraints are not just financial. The report highlights limited timber availability across several regions, shortages of skilled labour, and delays in permitting and infrastructure as key barriers to rapid expansion. While sawmill investment is rising in the U.S. South because timber supply and delivered costs are comparatively favourable, the study expects national capacity growth to remain slow through 2025–2027.

Lumber demand also remains uncertain following a sharp contraction in 2022, with high interest rates and housing affordability pressures continuing to weigh on consumption. The report projects that a long-term housing deficit will support renewed growth in housing starts from 2027 to 2030, lifting lumber demand in the latter half of the decade, even as near-term volumes remain fragile.



*About 7–8% of U.S. sawn softwood production is exported overseas. Here, logs pile up at Astoria in Oregon, in the United States (Photo Credit: Design Pics Inc / Alamy Stock Photo)*

# Continued....

The authors warn that policy responses, such as tariffs or orders to increase federal-land harvesting, can shift trade flows and production incentives, but they cannot substitute for the time, capital, and workforce required to rebuild domestic capacity at scale. “Any meaningful move toward self-sufficiency,” the report says, “would require a coordinated programme of mill investment, logistics upgrades and workforce development sustained over many years.”

Regionally, the outlook is uneven. The U.S. South is likely to attract most incremental investment due to its abundant timber and lower delivered costs, while the West and Northeast face steeper barriers, including constrained timber supplies, longer haul distances, and more complex permit regimes. Those differences are likely to exacerbate regional price divergences and logistics bottlenecks, even as aggregate capacity increases.

Why lumber capacity matters for housing capacity  
In March, Wood Central reported that major curtailments to sawmills in the United States and across Canada had already reduced North America’s softwood lumber capacity by 3.1 billion board feet. To address the shortfall, the powerful National Association of Home Builders (NAHB) suggested that reducing tariffs on Canadian lumber, increasing local production, and curtailing exports of hardwoods and softwoods to China are key to managing building costs.

“In addition to the narrowly defined framing lumber, products such as plywood, OSB, particleboard, fibreboard, shakes, and shingles make up a considerable portion of the total material cost of a new home,” according to the NAHB’s latest report on Framing Lumber prices: “Surveys conducted by Home Innovation Research Labs show that the average single-family home uses 2,200 square feet of softwood plywood and 6,800 square feet of OSB, in addition to roughly 15,000 board feet of framing lumber. “ Then, there are inputs into cabinets, windows, doors, and trusses: “To account for the manufacturer’s margins, sawmill prices for the lumber embodied in these products are marked up by the percentage difference between receipts and cost of goods in the ‘wood product manufacturing’ industry,” the NAHB said. “The bottom line is that changes in softwood lumber directly impact the price of a new home. This, along with the rising wages for construction workers and higher interest rates, is one of the reasons why the housing market is experiencing declining affordability.”

*read more at <https://woodcentral.com.au/forget-tariffs-the-u-s-lumber-deficit-will-take-decades-to-close/>*

## Join WPMA at the IHLA Convention!

Exciting news! The IHLA Convention kicks off on February 2-4, 2026, and WPMA will be there! Stop by to connect, network, and learn about the latest in the industry. Let’s make this event both productive and fun—because what better way to celebrate than with great company and valuable insights?



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Build Your World™. That’s the name of the first-ever national advertising campaign promoting Real American Hardwood® products. The campaign launched about a month ago by the Real American Hardwood Coalition on the Magnolia Network, the lifestyle channel owned by household names Chip and Joanna Gaines and entertainment conglomerate Warner Bros., to promote Real American Hardwood® flooring, cabinetry, furniture, millwork, and more.



# PROFESSIONAL ADVICE

## DHS Ends Automatic Extensions for EADs

*Kayla E. Snider, Esq., Skoler, Abbott & Presser, P.C.*

On October 30, 2025, the U.S. Department of Homeland Security (DHS) implemented a significant policy shift that directly impacts workforce planning and compliance for employers across the country. DHS published an Interim Final Rule (the “New Rule”) that officially ended the practice of automatically extending Employment Authorization Documents (EADs) for certain renewal applicants—a move that could lead to employment disruptions if not proactively managed.

### **What Changed?**

Previously, eligible foreign nationals who filed timely EAD renewal applications could receive automatic extensions of their work authorization for up to 540 days while their applications were pending. This policy was designed to mitigate the impact of USCIS processing delays.

Under the New Rule, effective October 30, 2025, automatic extensions are no longer granted for renewal applications filed on or after this date. This means there will be no automatic extension of employment authorization for EAD renewals filed on or after October 30, 2025. However, the New Rule does not affect:

- Renewals filed before October 30, 2025 – As long as the EAD renewal application was timely filed before the New Rule went into effect, those individuals will remain eligible for the full 540-day automatic EAD extension.
- Temporary Protected Status (“TPS”) Beneficiaries – Individuals with TPS may still be granted extensions, in accordance with Federal Register notices and applicable law.
- STEM OPT Extensions – Individuals who timely file a STEM OPT extension are eligible for a 180-day automatic EAD extension.

### **Why the Change?**

In a United States Citizenship and Immigration Services (“USCIS”) press release on October 19, 2025, USCIS Director, Joseph Edlow, says that the motivation behind the New Rule is to place “a renewed emphasis on robust alien screening and vetting, eliminating policies the former administration implemented that prioritized aliens’ convenience ahead of Americans’ safety and security.” USCIS states that ending the automatic extension of EADs will result in “more frequent vetting of aliens who apply for employment authorization to work in the United States.” The New Rule is meant to serve as a deterrent to fraud and to aid in the detection of individuals “with potentially harmful intent so they can be processed for removal from the United States.”

While DHS and USCIS cite national security concerns, it is important to remember that these extensions were originally implemented to prevent workforce disruptions caused by USCIS processing delays. Adjudication timelines fluctuate depending on the underlying immigration category, which can create uncertainty for employers who rely on individuals with EADs. Expanding the automatic extension period to 540 days minimized lapses in employment authorization and served as a safeguard for the U.S. economy.

Although the New Rule includes assurances about maintaining timely processing, the elimination of streamlined, rules-based extensions may result in more complex

and slower renewal procedures—placing additional strain on both employers and employees.

### **Who Is Affected?**

The New Rule impacts nearly all immigration categories that were previously eligible for automatic extensions, including:

- Adjustment of status applicants (C09)
- Asylum applicants and recipients (C08, A05)
- Refugees (A03)
- Dependent spouses of E, L, and H-1B visa holders (A17, A18, C26)
- VAWA self-petitioners (C31)
- Applicants for cancellation, suspension, legalization, or special programs (C10, C16, C20, C22, C24)

If USCIS processing delays persist, these groups will face the risk of gaps in employment authorization and temporary work interruptions.

### **Implications for Employers**

Employers must now prepare for potential gaps in work authorization. If an employee’s EAD expires and their renewal is still pending, they must cease employment until a new EAD is issued. This could lead to loss of talent and productivity, legal risks for unauthorized employment, and an increased administrative burden for HR teams.

To ensure that your organization stays compliant and to attempt to minimize disruption, employers should:

1. Audit your workforce – Identify employees with EADs expiring in the next 6–12 months
2. Encourage early renewals – Reach out to employees with EADs expiring within the next year and encourage them to file their renewals as soon as possible. In their press release, USCIS recommends filing up to 180 days before expiration.
3. Update I-9 procedures – Ensure HR teams are trained on the new rules and are aware of the reverification requirements they will have to comply with for employees who renew their EADs.
4. Communicate proactively – Inform affected employees and offer support navigating the renewal process.
- 5.

If you or your organization have any questions about current employment-based immigration regulations or EADs, consider contacting experienced employment-based immigration counsel.

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*This column is not intended as legal advice related to individual situations. If your business is confronted with a specific legal problem, take advantage of your free hour of legal consulting from Skoler Abbott.*

# HR QUESTION OF THE MONTH

## Question

We have an employee who recently lost some expensive company equipment. Can we deduct the cost of the equipment from the employee's paycheck? The employee is nonexempt, and we are located in California.

## Answer

Employers must proceed cautiously when deducting from nonexempt employees' wages to avoid potential wage claims. To determine which deductions are permissible, an employer should look at applicable state law, as states may handle wage deductions differently.

For example, in California, employers generally may not withhold an employee's wages in whole or in part, unless the withholding or deduction is authorized (by law or by the employee) in writing. The California Division of Labor Standards Enforcement (DLSE) has specifically stated that an employer cannot legally make a deduction from wages if, by reason of mistake or accident, a cash shortage, breakage or loss of company equipment occurs. There is an exception that purports to provide an employer with the right to deduct for any cash shortage, breakage or loss of equipment if the employer can show that it was caused by a dishonest or willful act or by the employee's gross negligence. However, the DLSE has cautioned that use of this deduction may, in fact, not comply with the provisions of the California Labor Code and various California court decisions. Additionally, the DLSE has stated that any employer that resorts to self-help does so at its own risk, as an objective test is applied to determine whether the loss was due to dishonesty, willfulness or a grossly negligent act.

In general, wage deductions and withholdings in California cannot reduce an employee's gross wages below the minimum wage rate, unless authorized by law. Employers may not derive any financial gain from wage deductions.

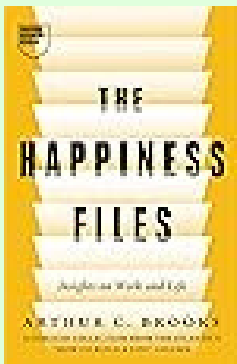
Similarly, under federal guidelines, the cost of any items that are considered primarily for the benefit or convenience of the employer has restrictions—namely, no deduction may be made from an employee's wages that would reduce the employee's earnings below the required minimum wage or overtime compensation. This is true even if an economic loss suffered by the employer is due to the employee's negligence. Examples of items that would be considered to be for the benefit or convenience of the employer are tools used in the employee's work and damage to the employer's property by the employee.

If any discrepancies exist among federal, state and local laws, employers must comply with the provisions that are most favorable to employees. Employers with questions on whether any specific deductions are permissible should consult legal counsel, who can also advise on potential other means that an employer may be able to use to recoup any money or property, such as an agreement, demand letter or lawsuit.



*The HR Question of the Month is provided by Zywave®, a company wholly independent from Federated Insurance. Federated provides its clients access to this information through the Federated Employment Practices Network with the understanding that neither Federated nor its employees provide legal or employment advice. As such, Federated does not warrant the accuracy, adequacy, or completeness of the information herein. This information may be subject to restrictions and regulation in your state. Consult with your own qualified legal counsel regarding your specific facts and circumstances.*

## An Interesting Read



### The Happiness Files: Insights on Work and Life by Arthur C. Brooks

The author, Harvard professor, and columnist for The Atlantic, asks you to think of your life as a startup company, and offers some wisdom, practical insight, and results of behavioral science research, on how to make it successful and fulfilling.

Wondering what to ask for, or give, this holiday season? Add this selection to your list or virtual cart.



### Thoughts of the Month

**Don't let anyone get your tinsel in a tangle. Stay jolly.**

**My favorite winter activity is going back inside where it's warm.**

**Why don't Christmas trees knit? They keep dropping their needles.**

## Membership Benefits

### FEATURED ASSOCIATION PROGRAM

When your company becomes a member of the WPMA, you are automatically entitled to take advantage of several programs that are available at no additional cost which means these programs are included in your annual dues. These programs and services have all been designed and created to help your company save money.

**One of the programs include:**

### Discounted FSC Certification

WPMA members can benefit from our discount FSC® certification assistance.

Average Rate:

- \$1,485 - \$3,190 All inclusive
- Rate Includes Annual Group Audit Fee

Assistance With:

- All required paperwork
- Preparation for annual audit
- Annual educational requirements

Consulting service

For those companies that would like assistance with establishing an individual company certificate, we offer an extremely reasonably priced consulting service which includes:

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- All required paperwork examples
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