



July 30, 2010

Dear Representative:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business organization, I am writing to urge you to support H.R. 5982, the "Small Business Tax Relief Act." **A vote in support of the H.R. 5982 may be considered an NFIB Key Vote for the 111th Congress.**

Businesses are already overburdened with tax paperwork and reporting requirements. Unfortunately, the expanded information reporting requirement included in the Patient Protection and Affordable Care Act will only further increase the cost and complexity of complying with the tax code. Specifically, beginning in 2012, the new healthcare law requires businesses to send Form 1099s for every business-to-business transaction of \$600 or more for both property and services – creating a tremendous new paperwork compliance burden for small businesses.

The cost of tax compliance falls most heavily on small businesses. On average, small businesses spend more than \$74 per hour on their tax compliance obligations, which represents the most expensive paperwork burden that the federal government imposes on small business owners. Small business owners typically lack in-house finance departments to track this kind of reporting. A Small Business Administration Office of Advocacy report found that complying with the tax code is already 67 percent more expensive for a small business than a large business.

At a time when our economy needs small businesses to help our country grow out of this recession, saddling them with expensive new requirements and paperwork burdens will only further hamper their ability to aid in our economic recovery. Small businesses need certainty and H.R. 5982 will take immediate steps to eliminate this new burden.

We urge you to support H.R. 5982, and thank for your commitment to repealing this burden.

Sincerely,

A handwritten signature in black ink, reading "Susan Eckerly". The signature is fluid and cursive, written over a white background.

Susan Eckerly
Senior Vice President
Public Policy