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## **Small Businesses Push for Removal of 1099 Provision in Healthcare Law** *Tax Provision Adds Unaffordable Paperwork Burden on Nation's Job Creators*

**WASHINGTON, D.C., July 13, 2010** — *Bill Rys, tax counsel for the National Federation of Independent Business, America's leading [small business association](#), issued the following statement on efforts to repeal the 1099 provision in the healthcare law:*

“It's clear there is bipartisan agreement that the 1099 provision contained in the healthcare law will have a direct negative impact on small businesses. We appreciate Senator Johanns putting forward an amendment to repeal this provision of the law. We also commend Senators Begich, Nelson (Neb.), Shaheen and Bayh for flagging concerns over this particular issue and encourage them to go a step further and work to repeal this measure.

“On the House side, last month Congressman Lungren led the effort and offered a bill (H.R. 5141) to repeal the 1099 provision. It currently has 91 co-sponsors. Congress is not alone in voicing their concerns over this particular part of the healthcare law and its harmful financial impact on small businesses. The Office of Taxpayer Advocate recently released a report highlighting their concerns about the harmful effects this will have on small business. Additionally, NFIB has met with administration officials to voice their concerns on this important problem and are eager to find a solution.

“As the administration and congress spend this week focusing on reducing regulations that harm small business, this is one that everyone agrees on and can be fixed today.”

### Facts about Tax Reporting Requirements:

- According to an NFIB Small Business Survey at \$74 an hour, tax paperwork is the most expensive paperwork burden placed on small businesses by the federal government.
- Small businesses often lack an in-house finance department to track this kind of reporting and that is why complying with the tax code is already 66 percent more expensive for a small business than a large business.

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*NFIB is the nation's leading [small business association](#), with offices in Washington, D.C. and all 50 states. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business. NFIB's powerful network of grassroots activists sends their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America's free enterprise system. NFIB's mission is to promote and protect the right of our members to own, operate and grow their businesses. More information about NFIB is available online at [www.NFIB.com/newsroom](http://www.NFIB.com/newsroom).*