

July 14, 2015

The Honorable David Vitter
United States Senate
516 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Vitter:

On behalf of the Louisiana Association of Business and Industry (LABI), the state's largest and most effective business advocacy group representing the interests of more than 2,500 businesses of all sizes, sectors and regions. I write in support of the Small Business Tax Compliance Relief Act, which would help alleviate the administrative burden of tax compliance on small business owners.

Tax compliance and complexity is a huge drain for small businesses that must spend precious time and money complying with thousands and thousands of pages of rules. This does not necessarily serve to send more money to the federal government but simply causes a headache and worry for small businesses who want to comply with the tax code. Small businesses spend 1.7 billion hours annually on tax compliance and \$15 billion on compliance costs. Imagine the economic boom if small business owners could reinvest this money back into their businesses to grow jobs and the economy rather than spending that money on complying with burdensome tax rules.

The Small Business Tax Compliance Relief Act would make commonsense changes to the administration of our tax laws that would not only benefit LABI's small business members but also help the economy. Particularly, making inflationary adjustments for fixed limitation amounts rather than rate brackets would help job creators, especially as they start and grow their young businesses.

Setting up review panels when making rules would greatly help small businesses so they can share real life experience with tax compliance and the government can better understand the impact on those who have to comply with the rules. Another helpful idea in the Act is giving the IRS Commissioner the authority necessary to waive penalties when small businesses have acted in good faith with tax rules. This could help ease the worry that small business owners feel with tax compliance.

LABI thanks you for introducing this important piece of legislation. We look forward to working with you to provide tax relief for small businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen". The signature is fluid and cursive, with the first letter being a large, stylized 'S'.

Stephen M. Waguespack
President & CEO