



July 14, 2015

The Honorable David Vitter  
Chairman  
Committee on Small Business and Entrepreneurship  
United States Senate  
Washington, D.C. 20510

Dear Chairman Vitter:

On behalf of the Small Business & Entrepreneurship Council (SBE Council) and our 100,000 members nationwide, I am writing to express our strong support for the “Small Business Tax Compliance and Relief Act.” This legislation includes substantial reform measures that will ease tax complexity and compliance costs for small businesses. It will fix key areas of regulatory pain and inequity for entrepreneurs, and ones that cause harmful distortions. The legislation will provide a real boost to small business confidence and growth.

Simplicity, equity and certainty are attributes that entrepreneurs and small business owners want the tax code to reflect. Over time the tax code has become an abominable mess. Unfortunately, small businesses are bearing the brunt of our dysfunctional tax code. That disparity has been documented by the SBA Office of Advocacy, which found that small businesses spend three times more per-employee on compliance costs compared to their larger counterparts. Complexity and uncertainty drain the entrepreneur of precious resources, time and energy. All of which need to be directed toward growth, innovation and competing in the marketplace. High taxes rates, uncertainty, and excessive compliance costs all combine to make the U.S. tax code destructive to small businesses and a major threat to the future of U.S. entrepreneurship.

Every reform embedded within the “Small Business Tax Compliance and Relief Act” is needed - from regulatory accountability at the IRS, to how the agency interacts and treats small businesses, as well as changes in the thresholds for inventory and de minimis safe harbor. We wholeheartedly support full deductibility of health insurance for the self-employed, the common sense changes to capital gains holding periods, repealing and modifying redundant and unnecessary rules and recordkeeping requirements in a range of areas, and creating a Flexible Retirement Account option with simple rules and less restrictions.

SBE Council agrees with you that small businesses and entrepreneurs should not have to wait for comprehensive tax reform in order to get some relief, certainty and common sense reforms from Washington. The “Small Business Tax Compliance and Relief Act” provides a path for Congress to take for immediate bipartisan action. The prospect for survival and growth for many small businesses will be greatly improved with passage of this important legislation.

Chairman Vitter, thank you for your leadership and continuous support of America’s entrepreneurs and small businesses. Please let us know how we can help you advance the “Small Business Tax Compliance and Relief Act” into law.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Kerrigan". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Karen Kerrigan  
President & CEO

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**Protecting Small Business, Promoting Entrepreneurship**