



## SENATE COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

Opening Statement for  
*“What is Working: Tax Incentives to Aid  
Small Business Recovery”*

December 3, 2009 at 10:00 a.m.  
Room 418 of the Russell Senate Office Building

*(As prepared)*

Good morning and thank you for joining us at this roundtable. Today we are here to discuss expiring tax incentives that are critical to small business growth and stability, especially in this tough economic time. But unless Congress acts now a wide range of these tax provisions—from the R&D tax credit to incentives for biodiesel and renewable diesel—will sunset in 28 days.

With an expiration date fast approaching, uncertainty has dampened the recovery for many small businesses. Small businesses, and America, cannot afford to wait, as more small business jobs are lost each day. Our small firms need these measures extended to stay competitive and help create American jobs.

In today’s discussion, we will examine the specific importance of a variety of these tax provisions and their impact on small businesses. In doing so, we will discuss the need for extending provisions, redesigning them, or making some permanent provisions in the tax code.

One tax provision we must not let expire was enacted in the American Recovery and Reinvestment Act (ARRA). The enhanced expensing limits allow small businesses to expense up to \$250,000 of the cost of new investments, which enables them to buy vital new facilities and the equipment they need to keep their businesses running.

Because of the substantial savings to small businesses this tax provision has generated in this year alone, yesterday Senator Snowe and I introduced legislation to make permanent the \$250,000 expensing limit. By making this enhanced expensing limit permanent, small business owners will have a valuable incentive to make investments in business assets critical to business growth and remaining competitive.

In addition, just this week I joined as a co-sponsor of the New Markets Tax Credit Extension Act, which would extend the New Market Tax Credit for five years and provide \$5 billion in annual allocation authority.

The expensing provision and New Markets Tax Credit are just two examples of effective, but endangered, tax provisions. Extending these credits could ease the anxiety associated with last-minute extensions and provide small businesses with the stability they need to plan budgets and attract investment.

Now, more than ever, small businesses need stability and incentives to move forward with getting our economy back on track and creating jobs for American workers. By extending and expanding tax measures that we know help small businesses grow, we can give these businesses the certainty they need to make new investments and the encouragement they need to help grow our economy.

I would now like to recognize my colleagues on the Committee for their statements.