

Signatures More Than Double on U.S. Chamber Letter Calling for Repeal of Burdensome Reporting Requirement *2,434 Businesses, National Associations, and Chambers of Commerce Call on Congress to Put Job Creation Ahead of Regulation*

WASHINGTON, D.C.—Ahead of tomorrow’s vote on Senator Johanns’ amendment to repeal the 1099 reporting mandate, the U.S. Chamber of Commerce today re-sent a [letter](#) of support for the amendment to Members on Capitol Hill after more than doubling the signatures. 2,434 businesses, chambers, and associations from all 50 states are calling for a repeal of the burdensome reporting mandate included in the health care law. This tax filing requirement imposes a substantial burden on nonprofits, governments, and businesses—especially small businesses.

“At a time when our economy is struggling to put people back to work, the last thing we need is for the drivers of employment in this country to be focusing their time and money trying to fill out paperwork rather than creating jobs for the American people,” said Bruce Josten, executive vice president of Government Affairs for the U.S. Chamber of Commerce. “It goes without saying that when small businesses are buried under mountains of paperwork and costs, they’re spending their resources complying with the federal government instead of creating jobs.”

The letter expresses the business community’s commitment to repealing Section 9006 of the Patient Protection and Affordable Care Act before it goes into effect in 2012. It outlines the major concerns, including:

- Forty million entities—including businesses of all sizes, nonprofits, and governments—will be required to report to the IRS on virtually all non-credit card purchases totaling \$600 or more from any vendor in a tax year.
- The 1099 reporting mandate will impose substantial paperwork and reporting requirements on these entities, with the burden falling particularly hard on small businesses. Compliance will require these entities to institute complex record-keeping systems that can track every purchase by vendor and payment method.
- This provision will dramatically increase accounting costs, expose businesses to costly and unjustified IRS audits, and subject more small businesses to the challenges of electronic filing.
- The mandate could alter marketplace behavior to the detriment of small businesses and startups. In order to minimize reporting, customers may consolidate their purchases by using several large vendors with broad geographic presence and more diverse product lines instead of a number of small vendors.

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- The cost of repealing this provision should not be offset by levying higher taxes on—or removing existing tax incentives from—business, as this would only erode American competitiveness and private sector job creation.

A copy of the letter is available here: <http://www.uschamber.com/issues/letters/2010/9006-patient-protection>

The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations.

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