

House Approves Eight Tax Cuts for Small Business

WASHINGTON – Congresswoman Louise Slaughter (NY-28) today touted the passage of a critical package of tax cuts and measures increasing credit access to spur small business expansion.

The Small Business Jobs Act provides small businesses with eight tax cuts and creates a lending fund that gives small businesses greater access to capital so they can invest in and grow their businesses.

The bill, which passed the House today 237-187, faced months of Republican obstruction. Slaughter, chairwoman of the House Rules Committee, shepherded the bill to the floor for House passage today after months of opposition was finally broken in the Senate late last week. The bill goes to President Obama for his signature tomorrow.

“It is undoubtedly our community’s small businesses that will pull us out of this recession,” said Slaughter. □ “This important lifeline will boost their chances, and those of the middle and working class families that own and operate them, in these tough economic times.”

The bill will ease access to credit and reduce the tax burden on small businesses by authorizing \$30 billion for the Small Business Lending Fund (SBLF) that will increase access to much-needed capital. The Small Business Jobs Act also provides eight tax cuts to small businesses by allowing more tax write-offs for increased investments, health insurance costs, and makes 1 million small businesses eligible for zero capital gains taxes.

“It is vital that we do everything within our capacity to encourage the entrepreneurial spirit that keeps our small businesses growing,” said Slaughter. □ “This spirit has been

stifled during the economic downturn as small businesses find it increasingly difficult to access the credit they need to innovate and create jobs. “Make no mistake, we have a long way to go in achieving economic recovery, but I’m pleased that today, we take one step closer to enabling our small businesses to grow, thrive, and ultimately create jobs for our communities.”

Over the past two years, banks have drastically cut back on lending. This has put small businesses in an increasingly tenuous position, making it difficult for them to get new loans to keep their businesses operating. In addition to providing tax breaks and easing credit markets, The Small Business Jobs Act helps small businesses create jobs by:

- Doubling and enhancing small business expensing and extending bonus depreciation
- Allowing for 100% exclusion of capital gains on investments in small business
- Doubling the deduction for start-up expenditures
- And allowing self-employed taxpayers to deduct health costs for payroll tax purposes

The bill is supported by National Small Business Association, Small Business Majority, National Retail Federation, National Restaurant Association, Hispanic Chamber of Commerce, Independent Community Bankers of America, American Bankers Association, Financial Services Roundtable, Business & Professional Women’s Foundation, International Franchise Association, Motor & Equipment Manufacturers, and National Association for the Self-Employed.