



**SMALL BUSINESS
LEGISLATIVE
COUNCIL**

NEWS RELEASE

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MOVING TOWARDS A REALISTIC SOLUTION FOR REDUCING THE FEDERAL DEBT, TURNING BEFORE THE FISCAL CLIFF, REFORMING THE CODE, AND ENCOURAGING SMALL BUSINESS GROWTH

We believe that if we are going to secure long-term significant changes that will not only reduce the federal debt but ensure we maintain an economic environment that will encourage small businesses to grow, in discussions addressing the federal budget deficits, everything should be on the table including reform of entitlement programs, real spending cuts in all programs and projects, tax revenue increases and the adoption of a sensible system for maintaining our transportation infrastructure. We believe balanced and fair tax reform must be part of the solution. We understand that good public policy requires balance, and we just do not see a way to achieve true long-term debt reduction without a full and vigorous discussion and without everybody accepting their share of the short-term responsibility.

In the small business universe, those small businesses that yield incomes for their owners in the range of \$250,000 to \$1 million are the kinds of small businesses we want to encourage to grow and for which business planning “peace of mind” is paramount. If one adds a permanent increase in the direct expensing allowance, an indexed estate tax exemption of \$5 million with spousal portability and a permanent patch for the Alternative Minimum Tax, you have the principal ingredients for that small business “peace of mind.” The House leadership’s proposal, as we understand it, accomplishes that goal.

Given all the other items of interest to small business that are not on the table, small business will continue to shoulder its share of the tax increase and spending cuts responsibility.

The Small Business Legislative Council is a 34-year-old permanent, independent coalition of over 50 trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of small businesses in such diverse economic sectors as manufacturing, retailing, distribution, professional and technical services, construction, transportation, and agriculture. Our policies are developed through a consensus among our membership. Individual associations may express their own views