

February 15, 2011

Chairman Dave Camp  
Committee on Ways and Means  
1102 Longworth House Office Building  
Washington D.C. 20515

Ranking Member Sander Levin  
Committee on Ways and Means  
1106 Longworth House Office Building  
Washington D.C. 20515

Re: Support Passage of House Resolution 4, the "Small Business Paperwork Mandate Elimination Act"

Dear Chairman Camp and Ranking Member Levin:

On behalf of the Specialty Equipment Market Association (SEMA), I am requesting immediate action to repeal the costly and burdensome new 1099 reporting requirement included in the Patient Protection and Affordable Care Act (PPACA). As small business owners continue to struggle to obtain credit, sustain growth, and create hiring opportunities, they should not be burdened with unreasonable and unnecessary tax reporting requirements on normal business transactions.

SEMA represents the \$29 billion specialty automotive industry of over 6,500 companies, most of which are small businesses. The industry provides appearance, performance, comfort, convenience, and technology products for passenger and recreational vehicles.

SEMA has repeatedly urged Congress to remove the 1099 reporting requirement from the health care law. The provision imposes a costly paperwork burden on America's small businesses, requiring any taxpayer with business income to issue 1099 forms to all vendors from whom they buy more than \$600 of goods or services in any year. SEMA contends that it will fail to collect much under-reported income, but it will succeed in punishing small business taxpayers that already comply with U.S. tax law.

We thank the Committee on Ways and Means for addressing this issue. Eliminating the 1099 reporting burden will allow our companies to focus on producing tangible goods and services rather than wasteful paperwork.

Sincerely,



Christopher J. Kersting  
President and CEO

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