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Despite attempts to boost popularity at hearings, tax law does little to help small business


**Washington, D.C., May 23, 2018**—Today’s Ways and Means Tax Policy Subcommittee hearing on tax reform and small business was a disappointing attempt to boost the flagging fortunes of the unpopular tax law by invoking the good name of small business owners. The truth is the new tax law is disliked by small business owners and the public alike for the same reason—it does little to help them while giving away the farm to corporations and the wealthy.

The facts paint a stark contrast between the bonanza large corporations reaped from the tax law and the meager assistance small business owners can expect. While large corporations got a permanent 40-percent rate cut and have plowed billions into stock buybacks for wealthy investors, small business owners got a temporary deduction on pass-through income that may save them a few bucks but does little to boost their ability to grow and thrive. According to our public opinion polling, 69 percent of small business owners said they would not hire as a result of the new law and 59 percent said they would not give raises.

Adding insult to injury, the temporary pass through deduction is heavily tilted toward the wealthy: In 2018, the lion's share of the benefit—44.3 percent of the total—will go to roughly 200,000 Americans making $1 million or more, according to the Joint Committee on Taxation.

Finally, the tax law makes an already byzantine tax code even more complex for small businesses. A recent Businesses for Responsible Tax Reform report analyzing the implications of the tax law for small businesses shows that the tax code is now so complicated it will likely require entrepreneurs to hire costly tax professionals to sort it all out.
This law wasn’t passed with Main Street small business in mind, so it’s not surprising small business owners are skeptical that it will provide any benefit to them. Lawmakers can use all the pro-small business language they can think of to sell a tax sham that favors big corporations and the wealthy. But the law snubs small business owners, the economic engine of our country, and they know it.

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**About Businesses for Responsible Tax Reform**

Businesses for Responsible Tax Reform is a coalition of business leaders calling for tax reform that truly benefits America’s small business owners. We are dedicated to ensuring tax reform is fiscally responsible, creates a level playing field for all businesses, grows the economy and works for our nation’s 30 million small business owners. Learn more about us on our [website](#) and follow us on [Twitter](#) and [Facebook](#).