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Small Business Group: Plan to lend $500 billion to corporations is unconscionable

Statement by Frank Knapp, Jr. co-chair of Businesses for Responsible Tax Reform and President & CEO of the South Carolina Small Business Chamber of Commerce

Washington, D.C., April 28, 2020—It’s unconscionable that policymakers are orchestrating pumping $500 billion in loans to large corporations without requiring them to preserve jobs or limit payments to executives or shareholders when Main Street small businesses must wade through a thicket of red tape in an often fruitless attempt to get an emergency loan that is only forgivable if 75% is spent on payroll.

During a time when more than 26 million people are unemployed, it is crucial that workers have money to survive this crisis and the blatant disparity between how small businesses and large companies are being treated during this crisis lays bare the hypocrisy of leaders who claim to support small firms and their workforce. In truth--and in an ugly replay of the corporate giveaway under the Tax Cuts and Jobs Act--they are far more interested in funneling government dollars with no strings attached to their corporate benefactors than ensuring Main Street entrepreneurs survive this crisis.

The small business need cannot be overstated. A BRTR survey finds the economic impact of the COVID-19 pandemic has created an existential crisis for America’s small businesses: 88% have lost revenue, with 70% reporting they have lost 50% or more of their revenue.

Our nation’s Main Street entrepreneurs and their employees will need economic help for the long-term to recover from the precipitous decline in consumer demand and shut-down orders resulting from efforts to fight the spread of COVID-19. When they enter the voting booths in November looking for lawmakers with the vision needed to help them rebuild Main Street, they will remember this action as the time when some policymakers revealed who they truly care about.

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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.