



**Open Letter to U.S. House or Representatives**  
***Tax Relief is the Quickest and Most Efficient Way to Stimulate Economy  
Through Small Business Job Creation and Growth***

January 22, 2009

Dear Member of the U.S. House of Representatives:

The Small Business & Entrepreneurship Council (SBE Council) enthusiastically endorses the Economic Recovery and Middle-Class Tax Relief Act of 2009. With our economy and small businesses struggling, public policy needs to focus on boosting the incentives for entrepreneurship and investment. After all, private-sector risk taking is the true source of economic growth and job creation.

The Economic Recovery and Middle-Class Tax Relief Act is properly directed toward helping entrepreneurs and small businesses access capital, maintain and create jobs, invest in their firms and remain efficient and competitive during this very difficult economic period. Key ways the entrepreneurial sector of our economy would benefit from this legislation include:

- **Reducing personal income tax rates across the board by 5 percent.** Most small businesses file taxes as individuals and reducing personal rates will provide these firms with a self-financing tool at a time when capital and credit is tight.
- **Reducing the corporate income tax rate from 35 percent to 25 percent.** This important provision will make the U.S. far more competitive on the corporate tax front, attracting capital and businesses.
- **Reducing the cost, increasing the pool of capital and encouraging investment.** The Act provides incentives for investments that spur entrepreneurship, build businesses and create jobs by making the current 15 percent individual capital gains and dividend tax rates permanent; reducing the corporate capital gains tax rate from 35 percent to 15 percent; ending the inflation tax on capital gains; allowing all businesses to immediately and fully expense capital expenditures; and making the research and development tax credit permanent.
- **Permanent repeal of the individual alternative minimum tax (AMT).** The AMT raises the costs of tax preparation, and increases the tax burden on millions of Americans – including many entrepreneurs.

Our economy is in recession, and it could be one of the deepest and longest downturns in decades. Who will lead us out of this economic mess? Small businesses remain the crucial source of growth, innovation and jobs. The Economic Recovery and Middle-Class Tax Relief Act does exactly that, and deserves wide, bipartisan support.

Thank you for considering the needs and concerns of our nation's entrepreneurs.

Sincerely,

Karen Kerrigan  
President & CEO

SBE Council, 2944 Hunter Mill Road, Suite 204, Oakton, VA 22124  
703-242-5840

[www.sbecouncil.org](http://www.sbecouncil.org)

**Protecting Small Business, Promoting Entrepreneurship**