

Roumelis Planning and Development Services, Inc.



March 26, 2015

Senator John Thune and Senator Ben Cardin
Business Income Tax Working Group
Senate Finance Committee

RE: Business Meals Deductions

Dear Senator Thune and Senator Cardin and staff:

As the owner of a very small business that involves traveling to serve and meet with clients, I would like to propose a common sense revision to the tax code. Please consider making business meals 100% deductible up to a reasonable limit.

I understand the need to have some limits on deductions for business meals, but do not think it is appropriate for 50% of the price of meals to be taxable to a business. For example, traveling employees spend \$10 for breakfast (including tax and tip), \$15 for lunch, and \$25 for dinner. The money is gone, the expense is reasonable and necessary, but 50% of the total \$50 paid to the employee is still considered a profit and the business is taxed on \$25 that it does not have.

Perhaps some limits could be established for meals, and costs up to the limit would be 100% deductible. Costs above the limit could then be taxed 100%, or at 50% or some other rate.

This approach to a legitimate business expense seems reasonable and fair, and would benefit so many businesses and individuals. Thank you for considering this recommendation.

Sincerely,

Deborah Belcher

President, RPDS

Cc: Senator Marco Rubio
Senator Bill Nelson