



For Immediate Release
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BAUCUS VOWS TO CONTINUE TO FIGHT TO REPEAL FORM 1099 REPORTING REQUIREMENTS

Finance Chairman: Small Business Owners Deserve to be Heard

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today vowed to continue fighting to repeal requirements for businesses to file reports with the IRS detailing payments made for certain goods and services. Although the requirements had not yet gone into effect, many small business owners expressed concerns the requirements would create an onerous paperwork burden. Chairman Baucus introduced legislation to repeal these requirements in early November in an effort to relieve that burden and allow small business owners to focus their attention on growth and job creation rather than paperwork.

“Small business owners voiced legitimate concerns that these requirements would be burdensome, and the Senate should act in response to those concerns. I am disappointed that we weren’t able to repeal these requirements today, but I intend to keep working until we do,” said Baucus. **“Our bill will allow small business owners to direct their focus onto job creation and growth rather than on paperwork. We will keep up our fight on behalf of small businesses so they can continue their critical work to create jobs and help the economy recover.”**

This type of reporting, which uses Form 1099 to indicate how much money businesses pay to corporations, was an idea proposed by the Bush administration to help better keep track of what businesses spend and earn and to provide a better determinant of tax liability. The Treasury Department estimates that more than \$345 billion in owed taxes go unpaid each year. As Chairman of the Finance Committee, Baucus worked together with the Bush Administration to begin crafting the policy, with the hope that if more of those unpaid taxes could be collected, taxes could remain low for all taxpayers. The policy was finalized late last year and became law in early 2010. When businesses owners became aware of the new paperwork requirements, some raised concerns about the resources required in January 2012 to complete the forms when the policy was set to go into effect. Baucus’s work to repeal the reporting requirements came following recent consultation with small business owners in Montana and across the country. On November 12, he introduced the bill that failed to pass today.

Baucus has long worked to bolster small business and provide the tools small businesses need to grow. He recently co-authored the Small Business Jobs Act, which helps small businesses access capital, stimulates investment in small businesses and promotes entrepreneurship. Baucus said today he intends to continue partnering with the small business community to craft innovative solutions to enhance tax administration to make our nation’s tax system fairer for everyone.

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