



**For Immediate Release**  
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## **Hart Legislation Increases Access to Health Care for Small Businesses and the Self-Employed**

**Washington, D.C.** – Congresswoman Melissa Hart today joined House Small Business Committee Chairman Don Manzullo and a coalition of small business associations to unveil legislation that will significantly lower health care insurance costs for self-employed business owners.

Congresswoman Hart urged swift consideration of the Equity for Our Nation’s Self-Employed Act, H.R. 4961, to help address the rising cost of health care that has become a crisis for the nation’s small businesses, especially the self-employed.

“Approximately 60 percent of Americans that do not have health insurance work for small businesses that can’t afford the coverage. Our legislation will enable millions of additional employers and workers to afford coverage by allowing self-employed business owners to deduct 100 percent of their health insurance expenses from their payroll taxes,” said Hart.

Congresswoman Hart noted that the legislation simply seeks to level the playing field for small businesses and the self-employed by allowing them to deduct health care premiums from federal taxes. “This legislation corrects an inequity that unfairly punishes the self-employed. Large corporations not only have the ability to deduct health care premiums, they are also able to negotiate lower prices from insurance companies. This legislation helps to level the playing field for the self-employed by lowering the economic burden to obtain coverage for themselves and their employees,” said Hart.

"Surging health care costs are drowning our small business owners, especially the self-employed who have to pay extra tax on their premiums," Chairman Manzullo said. "This is a wonderful bill that would provide them tremendous relief at a small cost."

“NSBA enthusiastically supports this bill and will make its passage a top priority for the association,” National Small Business Association President Todd McCracken said. “We would like to thank Congresswoman Hart and Chairman Manzullo for their continued hard work on behalf of small-business owners. This bill will, once and for all, put small businesses on equal footing with large businesses when paying for health care.”

"Each year health care costs continue to increase at a rapid rate for small business. This legislation represents a simple solution to an inequity faced by the self-employed that can mean the difference between affording health insurance or not," said Robert Hughes, president of the National Association for the Self-Employed and a certified public accountant. "I applaud Representatives Hart and Manzullo for introducing this bill which is a major step in leveling the playing field for the self-employed, helping to ensure that they can afford health coverage and freeing up money that can be used to help their enterprises succeed."

While America's small businesses create approximately 75 percent of all new jobs each year and self-employed business owners make up two-thirds of all small businesses in the country, they pay about 18 percent more for their coverage. The average self-employed individual pays \$10,880 annually for coverage and, thus, pays \$1,664 in extra taxes due to the current inequity in the law.

According to data released by the IRS in 2003 data, the latest figures available, Pennsylvania has 713,558 sole proprietors (Schedule C tax filers) that would benefit from the Equity for Our Nation's Self-Employed Act. There are 19,601,334 sole proprietors across the United States.

-- 30 --

<http://hart.house.gov>