



THE AMERICAN
SMALL BUSINESS
COALITION™
A DIVISION OF OCSL, LLC. PROVIDING INNOVATIVE MARKETING SOLUTIONS

Monday, 03 May, 2004

The Honorable Donald Manzullo
House Small Business Committee
U.S. House of Representatives
2361 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Manzullo:

As a Small Business Executive and on behalf of The American Small Business Coalition, I applaud you for introducing the **Employed Health Care Affordability Act of 2003 (H.R. 1873)**. This legislation addresses an inequity unduly imposed on the self-employed.

Under the current tax code, the inequality faced by the self-employed lies in the payment of self-employment tax on health insurance premiums. While corporations are able to deduct health insurance premiums as a business expense and to forego FICA (Social Security and Medicare) taxes on these expenses, the self-employed are unable to deduct premiums as a business expense and are required to pay an additional 15.3 percent self-employment tax on these expenses. The self-employed are the only segment of the business population that pays this extra tax on health insurance.

Providing the small business owner with the same tax treatment that big business already has is the right thing to do and will have an immediate impact on the affordability of health care for millions of self employed business owners.

The American Small Business Coalition (ASBC) is a consortium of talented and innovative Small Businesses that provide their products and services to the United States Government and its agencies. We seek a fair opportunity to participate in the Federal Government contracting process and share a common interest in the future of small business. The goal of ASBC is to educate and empower Small Businesses, while providing them additional knowledge resources and Government Marketing and Business Intelligence through Innovation, Experience and Economies of Scale.

Thank you for your continued leadership in this effort.

Respectfully,

Guy Timberlake
Vice President & COO

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