



September 15, 2003

The Honorable Don Manzullo
Chairman
Committee on Small Business
United States House of Representatives
Washington, DC 20515

Dear Chairman Manzullo:

On behalf of the members of the Society of American Florists (SAF), I am writing to commend you for introducing H.R. 1873, the Self-Employed Health Care Affordability Act. Many of SAF's member companies are self-employed business owners who are highly concerned with providing health care coverage for their employees and themselves.

H.R. 1873 would allow the self-employed to fully deduct their health insurance premiums for the purposes of their income tax and self-employment tax (FICA tax) and thus, allow them to achieve parity with corporations that are currently allowed to deduct their health coverage costs as an ordinary business expense. H.R. 1873 is an important piece of legislation during a time when health care experts project that 2004 will be the fourth straight year of double-digit increases in health insurance premiums. SAF surveyed its membership earlier this year and asked about their top priorities. Health care ranked above taxes in importance.

For small business owners in the floral industry, margins are very narrow. H.R. 1873 would alleviate some of the cost pressure by allowing self-employed business owners to deduct their health insurance premiums as a business expense and would put, on average, \$1200 per year back into their pockets to purchase better health care coverage for their families or invest in their businesses.

Ultimately it's a matter of tax equity and fairness. Taxing health insurance premiums with a 15.3 percent payroll tax simply because someone is self-employed is unfair. Other businesses can fully deduct their health care costs. SAF strongly supports H.R. 1873, which will reduce health insurance costs and change a policy that discriminates against the self-employed.

SAF is the national trade association representing the entire U.S. floral industry, a \$19 billion component of the U.S. economy. SAF represents all segments of the floral industry including retailers, growers, wholesalers, importers, suppliers, educators and related organizations. Our membership includes nearly 13,000 small businesses located in every state and Congressional district nationwide.

Sincerely,

A handwritten signature in black ink that reads "Leo Roozen".

Leo Roozen, Chairman
SAF Government Relations Committee

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September 15, 2003

The Honorable Nydia Velazquez
Ranking Member
Committee on Small Business
United States House of Representatives
Washington, DC 20515

Dear Representative Velazquez:

On behalf of the members of the Society of American Florists (SAF), I am writing to commend you for introducing H.R. 1873, the Self-Employed Health Care Affordability Act. Many of SAF's member companies are self-employed business owners who are highly concerned with providing health care coverage for their employees and themselves.

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Sincerely,

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Leo Roozen, Chairman
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