



September 2, 2003

The Honorable Donald Manzullo
United States House of Representatives
2228 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Manzullo:

On behalf of the Small Business Legislative Council (SBLC), I would like to offer our strong support for your proposed legislation, H.R. 1873, the Self-Employed Health Care Affordability Act of 2003.

This important legislation will help the self-employed purchase health insurance that they otherwise could not afford. As you know, the self-employed currently pay an average of 18 percent more for health insurance than those who work for large companies, this is due to a technicality in the tax code. While corporations are able to deduct health insurance premiums as a business expense and forego FICA 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 SBLC is a permanent, independent coalition of 70 trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of small businesses in such diverse economic sectors as manufacturing, retailing, distribution, professional and technical services, construction, transportation, tourism and agriculture. Our policies are developed through a consensus among our membership. Individual associations may express their own views.

Sincerely,

John S. Satagaj
President & General Counsel

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