

## NFIB Expresses Significant Concern About Payroll Tax Impact on Small Business

**WASHINGTON, D.C., December 19, 2011** — *The National Federation of Independent Business released the following statement today on the implications of the payroll tax cut extension passed by the Senate this weekend.*

“The two month payroll tax holiday would present a number of complications and costs that would disproportionately affect small businesses,” said **Brad Close, NFIB Vice President for Public Policy**. “Programming and software to support the new taxable wage limit may not be available for small businesses at the beginning of the year and could present challenges for payroll processors. In addition, many small employers do payroll processing in-house by hand, and this would require them to spend time to make these changes. Employers that do not have correct withholding calculations would need to figure out how much more to collect from employees and amend employment tax returns later in the year, which may also increase their chances for an audit.”

“The cost of tax compliance falls heavily on small business. On average, small businesses spend more than \$74 per hour on meeting their compliance obligations, which represents the most expensive paperwork burden that the federal government imposes on small business owners.”

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*NFIB is the nation’s leading small business association, with offices in Washington, D.C. and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business. NFIB’s powerful network of grassroots activists send their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America’s free enterprise system. NFIB’s mission is to promote and protect the right of our members to own, operate and grow their businesses. More information is available online at [www.NFIB.com/newsroom](http://www.NFIB.com/newsroom).*