

SBAC 2018 Federal Legislative Agenda

The Small Business Advocacy Council (SBAC) is a non-partisan, member-driven organization representing hundreds of small business owners in Illinois. We actively engage in shaping public policy to reflect the interests of the small business community. To create a better business climate for businesses in Illinois, the SBAC proposes the following measures for Congress to consider.

Marketplace Fairness Act

In an effort to deliver economic fairness and opportunity to local businesses, we ask our Congressional leaders to support the Marketplace Fairness Act (MFA). The MFA grants states the authority to compel online and catalog retailers, no matter their location, to collect sales tax at the time of a transaction exactly like local retailers are already required to do. This legislation exempts online sellers with less than \$1,000,000 in remote sales annually from collection requirements. States are only granted this authority after they have simplified their sales tax laws. Furthermore, any seller (regardless of remote sales volume) can rely upon completely free services available on the internet to manage all of their sales tax management needs. This solidly bi-partisan legislation brings fairness to small business retailers without adding to the federal deficit, creating new taxes or increasing existing taxes. It also allows our local businesses to compete with larger companies, outside Illinois, whose customers are not burdened with the Illinois sales tax. According to the Center on Budget and Policy Priorities, this legislation will also raise approximately a billion dollars in revenue for Illinois without raising taxes, extremely valuable revenue to Illinois, which struggles with a rising pension crisis, high unemployment, and underfunded government programs. More information on the legislation can be found on Senator Enzi [R-WY] website [here](#).

Legislation: The SBAC supports [S.976 – Marketplace Fairness Act of 2017](#) filed by Senator Michael Enzi [R-WY]. The legislation has bi-partisan support with 27 co-sponsor (19-D, 7-R, 1-I) including both Illinois state Senators. The bill was referred to the Committee on Banking, Housing, and Urban Affairs on 5/18/17.

Remote Transactions Parity Act of 2017

The Remote Transactions Parity Act grants states the authority to compel online and catalog retailers, no matter their location, to collect sales tax at the time of a transaction – exactly like local retailers are already required to do. The bill includes an exemption for smaller sellers that is phased out over four years. It would exempt businesses with less than \$10 million in gross annual sales upon enactment, lower the cap to \$5 million in gross annual sales the second year after enactment and set the cap at \$1 million in the third year. In subsequent years, the exemption would be eliminated.

This solidly bipartisan legislation bring fairness to small business retailers and provide much needed revenue to states all without adding to the federal deficit, creating new taxes or increasing existing taxes – it will also allow our local businesses to compete with larger companies, outside Illinois, whose customers are not burdened with the Illinois sales tax. The legislation will also raise approximately a billion dollars in revenue for Illinois without raising taxes, extremely valuable revenue to Illinois, which struggles with huge budget challenges.

Legislation: The SBAC supports [H.R.2193 – Remote Transactions Parity Act of 2017](#) filed by Representative Kristi Noem [R-SD]. The legislation has bi-partisan support with 50 co-sponsors (24-R, 26-D). The bill was referred to Subcommittee on Regulatory Reform, Commercial and Antitrust Law on 5/5/17.

Employer Participation in Student Loan Assistance Act

The Student loan debt is reaching close to \$1.5 trillion for U.S and that debt is shared by over \$44 million Americans. This debt continues to rise as cost for higher education continues to rise. Rather than contributing to retirement plans when graduates enter in the workforce they are focusing on paying off their student loans. The current tax code however incentives employers to offer programs that employees are not taking advantage of as they opt to pay off student loans instead. The SBAC strongly supports legislation that creates tax advantages for employers to participate in student debt assistance.

Legislation: In 2017 Congressman Rodney Davis (R-IL) introduced the Employer Participation in Student Loan Assistance Act, which has garnered support from 120 bi-partisan cosponsors in the House (73-D, 47-R). This legislation was referred to the House Committee on Ways and Means.

Regulatory Flexibility

Small Business Owners spend much of their time compiling and understanding new rules and regulations either when new laws are passed or when agencies decide to change implementation. Due to limited resources and time business owner struggle to comply with newly imposed rules and many times as the expense of their business. In order to make sure that regulations are not overly burdensome to business owners we support a legislative measure to require regulatory flexibility analyses as a prerequisite to rules being adopted including a cost-benefit analysis. Along with a requiring the analysis further consideration should be taken into account on indirect cost associated with proposed rules.