

December 12, 2017

The Honorable Orrin G. Hatch Chairman, Committee on Finance United States Senate

The Honorable Kevin Brady Chairman, Committee on Ways & Means U.S. House of Representatives The Honorable Ron Wyden
Ranking Member, Committee on Finance
United States Senate

The Honorable Richard Neal Ranking Member, Committee on Ways & Means U.S. House of Representatives

Dear Chairman Hatch, Ranking Member Wyden, Chairman Brady and Ranking Member Neal,

As members of the Stop The HIT Coalition, we ask for your full support and immediate action to protect the nation's 29 million small businesses, their employees and the self-employed who will face an exorbitant cost increase when the Health Insurance Tax (HIT) returns in January 2018. In order to support hardworking Americans, any and all HIT relief efforts must include fully insured group markets.

American small businesses are the cornerstone of our country. For centuries, these dedicated men and women have created jobs, provided financial security for millions of families, and contributed to a growing U.S. economy.

In just a few weeks, these small businesses will face a surcharge on the cost of insurance in the fully-insured employer group market. Absent immediate Congressional action to suspend the HIT for 2018 and 2019, hardworking families are expected to pay an additional \$500 annually. Also of concern is the reality that those who can least afford it – small business owners and workers earning between \$10,000 - \$50,000 per year – will end up bearing a disproportionate share of the cost when the HIT returns.

There should be no doubt about the urgent need to suspend the tax for 2018 and 2019. This is a commonsense approach to address the range of affordability and cost concerns facing millions of hardworking Americans. Indeed, HIT delay enjoys bipartisan support among policymakers. The House and Senate came together with nearly 400 Democrats and Republicans voting to delay the impact of the HIT for 2017.

The Stop The HIT Coalition applauds the critical legislation already introduced to support small businesses with delay or repeal the HIT, including <u>H.R. 246</u>, the *Jobs and Premium Protection Act;* <u>S. 1859</u>, the *Healthcare Tax Relief Act;* and <u>S. 1978</u>, the *Small Business and Family Health Tax Relief Act of 2017*. We urge Congress to stand on the side of small business by taking immediate action on these bills or include HIT suspension for all fully-insured plans as part of a year-end legislative package.

Hardworking Americans are counting on you to act now to provide HIT relief.

Sincerely,

American Farm Bureau Federation

American Hotel & Lodging Association

American Rental Association

American Supply Association

Associated Builders and Contractors

**Associated General Contractors** 

Auto Care Association

**Independent Electrical Contractors** 

National Association of Convenience Stores

National Association of Health Underwriters

National Association of Wholesaler-Distributors

**National Club Association** 

National Community Pharmacists Association

National Federation of Independent Business

National Lumber and Building Material Dealers Association

National Retail Federation

**National Roofing Contractors Association** 

National Small Business Association

Specialty Equipment Market Association

Society of American Florists

U.S. Chamber of Commerce