

STOP THE

June 17, 2019

The Honorable Patrick Toomey
Co-Lead, Health Taskforce
Senate Finance Committee
United States Senate

The Honorable Robert Casey, Jr.
Co-Lead, Health Taskforce
Senate Finance Committee
United States Senate

Dear Senators Toomey and Casey,

As members of the [Stop The HIT Coalition](#), representing the nation's 29 million small businesses, their employees and the self-employed, we applaud the Senate Finance Committee's commitment to addressing the health care affordability concerns facing millions of Americans. One of the most pressing and urgent cost challenges facing small businesses and entrepreneurs is the Health Insurance Tax (HIT) which adds to the cost of health coverage and undermines our shared goal of affordable health care.

Already, our Coalition members and small businesses across the country are in the process of renewing 2020 health coverage for employees. By advancing legislation that would suspend the tax for two years (2020 and 2021), Congress can provide small businesses with continued stability now and savings of [nearly \\$1,000](#) on average over the next two years. Families making between [\\$10,000 - \\$50,000](#) bear the brunt of this tax so this cost-savings will provide significant financial relief.

Allowing the HIT to return next year would result in higher health insurance premiums for small businesses and their employees – roughly [\\$480 in added premium costs](#) on average for a family purchasing coverage in the small group market. As small business owners throughout the country look to plan ahead for employee benefit programs and future growth, we urge you to take immediate action to once again delay the impact of this regressive tax before it is factored into premiums moving forward.

Since 2013, legislation has been introduced in both the House and Senate on a bipartisan basis to suspend or repeal the tax. HIT relief has been signed into law by both President Obama and President Trump. We are encouraged by the continued bipartisan support from leaders in the U.S. Senate including the work from Sens. Cory Gardner (R-CO), Jeanne Shaheen (D-NH), John Barrasso (R-WY), Tim Scott (R-SC), Doug Jones (D-AL) and Kyrsten Sinema (D-AZ) to introduce bipartisan legislation (S.172) that would extend HIT relief through 2021.

We urge you to take action now before small businesses are once again burdened by this misguided tax.

Sincerely,

American Council of Engineering Companies
American Farm Bureau Federation
American Rental Association
Associated Builders and Contractors
Associated General Contractors
Auto Care Association
Independent Electrical Contractors
National Association of Health Underwriters

National Association of Home Builders
National Association of Wholesaler-Distributors
National Club Association
National Community Pharmacists Association
National Funeral Directors Association
NFIB
National Restaurant Association
National Retail Federation
National Roofing Contractors Association
National Small Business Association
Petroleum Marketers Association of America
Retail Industry Leaders Association
Society of American Florists