

Congressman John Barrow (GA-12) today helped improve the new healthcare law by voting to repeal the 1099 reporting requirements for small businesses included in the Affordable Care Act. The bill, The Small Business Paperwork Mandate Elimination Act of 2011 (HR 4), passed the House of Representatives today by a vote of 314-112.

“Small businesses are already overburdened with tax paperwork and reporting requirements. We should be making it easier for them to run their businesses, not harder,” said Congressman Barrow. “This is one of many much-needed improvements that need to be made to the new healthcare law, and I’m glad leaders of both parties have shown that they can put aside their differences to help fix what’s wrong with this law.”

The 1099 reporting requirement section of the healthcare law requires businesses to send the IRS a form detailing every vendor, supplier, contractor, or other business entity they pay \$600 or more for goods or merchandise in every year. In addition to sending a 1099 form to the IRS, businesses would also have to send copies of the form to all other business entities listed on their 1099 form. These requirements do nothing to improve the healthcare people receive, but they greatly increase the cost and complexity of complying with the tax code for small businesses.

“As most folks know, I opposed the healthcare legislation because of problems just such as this,” said Barrow. “But the bill is now the law of the land, and it’s not going anywhere any time soon. That’s why our focus should be on working in a bipartisan way to make the law better. And that’s what I intend to do.”

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