



February 22, 2012

The Honorable Hank Johnson
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Johnson:

The National Small Business Association (NSBA) is pleased to support the *Help Entrepreneurs Create American Jobs Act of 2012 (H.R. 4032)*, which would amend Section 195 of the Internal Revenue Code to increase the allowable deduction for business start-up expenses from \$5,000 to \$10,000. Reaching over 150,000 small-business owners across the nation, NSBA is the country's oldest small-business advocacy organization and greatly appreciates your leadership on such an important issue for America's entrepreneurs and small-business community.

This legislation, by extending the 2010 temporary increase in the maximum deduction for start-up expenditures for ten years, will not only provide much needed tax incentives for entrepreneurs and small-business owners but will also provide certainty at a time when economic growth and job creation remain a top priority for our country. As NSBA communicated to the House Small Business Committee in 2009, "Previous small-business led economic recoveries were based less on the sudden expansion of existing small businesses than they were on the creation of millions of new, small firms. Suddenly, out-of-work employees – many of them laid-off from big businesses – identified a niche they thought they could fill, a product they thought they could improve, or a service they thought they could enhance and decided to start their own firms."

The costs associated with starting and growing a business are significant. According to the Bureau of Labor Statistics (BLS), from March 2009 – March 2010 only 505, 473 new businesses were created in the United States, the lowest rate of growth since the BLS started compiling data. This bill would facilitate job creation, boost innovation, incentivize entrepreneurs to start new businesses, and promote long term economic growth.

Small businesses are America's economic engine and are the most dynamic and innovative sector of the U.S. economy. They comprise 99.7% of all domestic employer firms, employ approximately 50% of all private sector employees, and have created roughly 65% of America's new net jobs over the past 17 years.

Although grateful that your bill would provide much needed tax relief to America's small-business start-ups and entrepreneurs, NSBA urges Congress to aggressively pursue comprehensive tax reform.

NSBA is pleased to support the *Help Entrepreneurs Create American Jobs Act of 2012* and thanks you for your continued efforts on behalf of America's small-business community.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd McCracken", written over a horizontal line.

Todd O. McCracken
President