

Madam Speaker, I rise in opposition to H.R. 4, the Small Business Paperwork Mandate Elimination Act of 2011.

I regret that the authors of this legislation have taken such a thoughtless approach. We could have had before us today a bill that would repeal any unnecessary and burdensome paperwork that is at issue here and we could have done it without putting burden on ordinary families.

This bill would repeal a reporting requirement that would require business owners to provide an IRS form 1099 to all vendors with whom they pay \$600 or more annually for their services.

I agree that this reporting requirement should be repealed. In fact, I voted to repeal this requirement last year. Unfortunately, the bill attracted only two Republican votes and failed to pass the House on July 30, 2010. This Congress, I am a cosponsor of the Small Business Tax Relief Act of 2011, which would repeal the 1099 reporting requirement.

H.R. 4 would change the subsidies and repayment obligations of the tax credits available for people with incomes below 400 percent of poverty to assist with the cost of obtaining affordable health insurance. This would be a massive tax increase on the middle class.

These tax credits will help low and middle income individuals and families pay insurance premiums. The credits are available for those individuals and families--up to 400 percent of the poverty line and cap the family's share of health insurance premiums at 9.5 percent of adjusted gross income.

This bill would force people to pay back billions of dollars in tax credits they received to obtain affordable health insurance. Since the tax credits go directly to the health insurance company, individuals and families who had small fluctuations in their income would have to pay back money that they never received. For example, under this legislation a family of four earning \$88,000 a year would have to pay \$4,640 that they never received if the family got an unexpected \$250 year-end bonus.

In a time where we want to create jobs, this bill would penalize individuals who found a new job or got promoted. This bill harms average working Americans who cannot obtain insurance through their employers--the exact people we should be helping.

I agree that this reporting requirement should be repealed. That is why I am a cosponsor of the Small Business Tax Relief Act of 2011. That bill would repeal the 1099 reporting requirement, but does not increase taxes on the middle class.

Today, we have a chance to vote against increasing taxes for hard working Americans. I urge my colleagues to vote no on this piece of legislation.