

Washington, DC -- U.S. Representative Michael A. Arcuri (D-Utica) shepherded legislation through the U.S House of Representatives today to allow for \$1.3 billion in tax relief for small businesses. Arcuri introduced the Rule for consideration of The Small Business Tax Relief Act of 2007 (H.R. 976), spoke in support of the bill, and managed one hour of debate.

“I am honored, as a member of the distinguished Rules Committee, to manage the rule for consideration of such an important piece of legislation that will provide \$1.3 billion dollars of tax relief for our nation’s small business owners,” Arcuri said. “Small businesses are the back bone of our economy, providing jobs and services in our communities. But by passing this bill today we not only help small businesses and family farms, we move forward to raise the minimum wage for millions of Americans who need it most. Ten years is too long for any hard-working American to wait for a wage increase.”

Fellow New Yorker and Chairwoman of the House Rules Committee, Louise Slaughter (D-Rochester) made the following remarks supporting the Small Business Tax Relief Act. “Small businesses are the heart of both Western and Central New York’s economy. When national tax and trade policies knocked our region to its knees, our small businesses built it up again, and have worked tirelessly to grow and provide good-paying jobs. The bipartisan tax package passed by the House of Representatives today will give relief to the businesses that need and deserve it most.”

The Small Business Tax Relief Act would provide for a total of \$1.3 billion in tax relief for small businesses. H.R. 976 would:

- Extend and expand expensing options for one year - helping small businesses invest in new equipment
- Increase the amount small businesses can deduct from their taxes and the number of small businesses that can take these deductions
- Extend by one year the Work Opportunity Tax Credit (WOTC) which provides incentives to employers to hire individuals that frequently experience barriers to work and expand it to cover

disabled veterans

- Allow businesses to continue claiming the full Social Security tip credit despite any increase in the federal minimum wage
- Ensure that both spouses who jointly own an unincorporated business, often family run small farms, receive credit for paying Social Security and Medicare taxes

Passage of the Small Business Tax Relief Act is a key step towards finalizing an increase in the federal minimum wage. The Senate has passed a minimum wage bill that includes small business tax breaks, and H.R. 976 will enable the conference committee to craft legislation to raise the federal minimum wage that will pass both the House and Senate.

H.R. 976 also meets pay-as-you-go budget requirements.

As a member of the House Rules Committee, Arcuri was a sponsor of H.R. 161, the rule for consideration of H.R. 976. This is the first time Arcuri has had the opportunity to manage a floor debate – a unique opportunity for a Freshman Representative.

H.R. 976 passed overwhelmingly by a bipartisan margin today.

A copy of Arcuri's floor speech is attached below.

**U.S. Representative Michael A. Arcuri (NY-24)
In the House of Representatives
Rule for Consideration of H.R. 976
February 16, 2007**

Mr. Speaker. By direction of the Committee on Rules, I call up House Resolution 161 and ask for its immediate consideration.

For the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida, Mr. Diaz-Balart. All time yielded during consideration of the rule is for debate only. I yield myself such time as I may consume and ask unanimous consent to revise and extend my remarks.

Mr. Speaker. House Resolution 161 is a rule to provide for the consideration of H.R. 976, the Small Business Tax Relief Act, under suspension of the rules at any time on the legislative day of Friday, February 16, 2007. This rule is necessary because under clause 1(a), Rule XV, the Speaker may entertain motions to suspend the rules only on Monday, Tuesday, or Wednesday of each week. In order for suspensions to be considered on other days, the Rules Committee must provide for consideration of these motions.

Mr. Speaker, let me begin by saying how honored I am, as a member of the distinguished Rules Committee, to manage the rule for consideration of such an important piece of legislation that will provide \$1.3 billion dollars of tax relief for our nation's small business owners.

This legislation, the Small Business Tax Relief Act, is strongly supported by a host of business organizations, including the U.S. Chamber of Commerce, NFIB, the National Association of Manufacturers and the National Restaurant Association.

Small businesses are the backbone of this nation's economy. Everyday, we as Americans utilize the services of small business owners. Whether we are dropping off our dry cleaning, grabbing a bite to eat at a local diner, or waiting in line to pickup a prescription at a local pharmacy – we depend on small businesses.

It's a constant struggle for most small businesses just to keep the lights on. Utility costs continue to skyrocket and larger companies continue to expand services, pushing out Mom and Pop stores in cities and towns across the country. My constituents in Upstate New York have experienced this loss of economic activity first-hand, but that trend doesn't have to continue.

The Small Business Tax Relief Act would help small businesses grow and hire new workers by extending and expanding tax provisions that encourage investment in new equipment and promote the hiring of disadvantaged workers. And it does so in a fiscally responsible way that meets pay-as-you-go requirements. Small business owners have to balance the books and

stay on budget each month – it's only fitting that we do as well.

Specifically, the bill would help small businesses invest in new equipment by extending and expanding expensing options for one year; and increase both the amount small businesses can deduct from their taxes and the number of small businesses that can take these deductions.

The bill would extend the Work Opportunity Tax Credit (WOTC) -- which provides incentives to employers to hire individuals that frequently experience barriers to work -- for one year, and expand it to cover disabled veterans. In other words, it helps those who need jobs by giving employers tax credits for creating jobs.

It would enhance the current tip credit for small businesses by maintaining the current tip credit that small businesses take for the Social Security taxes they pay on their employees' tips, instead of allowing it to drop with the long overdue increase in the minimum wage this legislation will help achieve.

The bill also contains a provision that would simplify tax filing requirements for businesses owned jointly by a husband and wife – providing much needed relief for the many small farms throughout this country. Right now, there is a glitch in Social Security tax law, which only allows one spouse, most often the husband, to get credit for paying into Social Security. This leaves women who work as equal partners in an unfair situation. The Small Business Tax Relief Act fixes this glaring inequality by ensuring that both partners, equal members of a team, receive their justly deserved entitlement benefits.

Moreover, this legislation does not only help small businesses. It's a win-win because passage of the Small Business Tax Relief Act is also a crucial step forward in finalizing an increase in the federal minimum wage for 13 million hard-working Americans.

I made a promise to my constituents that I would go to Washington to fight for a long overdue increase in the federal minimum wage. Passage of this measure takes us one step closer to fulfilling that promise.

I want it to be clear: I support a stand alone increase in the minimum wage, like the legislation we passed a few weeks ago with overwhelming bipartisan support. However, ten years is too long for any hard-working American to wait for a wage increase. Let's not force them to wait any longer. The time to act is now.

I reserve the balance of my time.

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