



The Small Biz Tax “Postcard” Just Got a Lot Bigger

Republicans touted their GOP tax scam as a boon for small businesses, but it ended up handing large corporations a 40 percent tax cut while leaving small businesses with a new set of [compliance challenges](#).

The GOP tax law cuts rates on “pass-through” income—business income taxed on an individual tax return. But, as the chart below shows, figuring out whether you qualify means navigating [confusing restrictions](#), and the tax break itself could be limited by newly created measures, like “Qualified Business Property,” that will take time for small businesses to understand.

Unlike large corporations that can handle heavy compliance burdens, added compliance costs unduly strain small businesses, especially in rural areas where firms [have less resources](#) to absorb increased expenses. The average small business spends [more than \\$83,000](#) on regulatory issues in their first year of operation, funds that could otherwise be plowed back into business development.

This is not the type of relief that small businesses need. If Republicans truly want to boost small business growth, they would invest in programs that actually help most entrepreneurs, like expanding access to capital or providing affordable health care options to small business employees.

Is your small business eligible for the pass-through tax cut?

