



Friday, May 7, 2010

WeeklyStandard.com

SUBSCRIBE TODAY to THE WEEKLY STANDARD! >

Q

BLOG IN PRINT STORE

CRUISE

SUBSCRIBERS ONLY

ABOUT US

NEWSLETTER

Obamacare's Giant, Hidden Tax **Change for Small Businesses**

Take one down, pass it around, 1099 IRS forms on the wall.

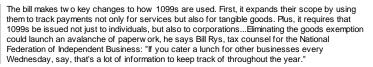
BY MARY KATHARINE HAM (/AUTHOR/1897) May 6, 2010 12:02 PM

Small business owners and freelancers, meet your new administrative

cnn.com/2010/05/05/smallbusiness/1099_health_care_tax_change/?

But under the new rules, if a freelance designer buys a new iMac from the Apple Store, they'll have to send Apple a 1099. A laundromat that buys soap each week from a local distributor will have to send the supplier a 1099 at the end of the year tallying up their purchases.

As if the federal government didn't already make being self-employed hard enough. So, how does the new law make this ridiculousness necessary?



Why'd they go and do that? You know why:

The idea seems to be that using 1099 forms to capture unreported income will generate more government revenue and help offset the cost of the health bill.

A Democratic aide goes on to defend the move, in this article, lauding the clever way the government is extracting more money from small businesses without actually raising their taxes.

ADVERTISEMENT II

Sign our petition to repeal Obama Care Join George Pataki in Protecting America's Freedom REVEREAMERICA.ORG Paid for by Revere America

ADVERTISEMENT

A CPA tells the Cato Institute this will be a nightmare for businesses, and Cato laments that we didn't discuss this massive change before it was passed. That's the nifty thing about passing a 2,000-page bill that messes with a sixth of the American economy. The public and the media can miss w.cato-at-liberty.org/2010/04/26/costly-irs-mandate-slipped-into-health-bill/)

I'm stunned that there wasn't a broader debate before such a costly mandate was enacted. If it goes into effect, it will waste vast quantities of human effort in filling out forms, reworking computer systems, collecting and organizing data, and fighting the IRS. The struggling American economy can't afford anymore suffocating tax regulations. This mandate is a giant deadw eight loss. It should be repealed.

The new rules go into effect January 1, 2012. Get ready.

TAGS: 1099 (/keyword/1099), health care reform (/keyword/health care reform), Obamacare (/keyword/obamacare), small business (/keyword/small business), Taxes (/keyword/Taxes)

Go Back (javascript: history.go(-1);)



