



September 18, 2008

Dear Senator:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy group, we urge you to act swiftly to pass the "Tax Extenders and Alternative Minimum Tax Act of 2008" which includes a non-offset AMT patch and other tax relief for small business.

The AMT was created to ensure that a small number of wealthy individuals could not avoid paying taxes. However, since that legislation was not indexed for inflation it now affects millions of taxpayers who were never intended to be subject to the tax. Because of the unintended revenue consequences we believe AMT relief should not be paid for. Currently, more than fifty-percent of small business owners who calculate the AMT have to pay the tax upon completion of their returns. If Congress does not pass a one-year patch the number of small business owners paying the AMT will rise significantly.

Tax complexity and compliance is a major challenge to small business owners, and any delay in enacting the one-year patch for the AMT could be especially hard on small business owners as they prepare for the 2009 filing season. Adding the complexity of unknown tax laws for 2008 filings only increases the compliance burden on this group.

We are encouraged the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 includes an extension of the 15-year depreciation period for qualified leasehold and restaurant improvements as well as an expansion of the 15-year depreciation period for new restaurant buildings and for qualified retail property. The 15-year depreciation period better reflects the use of these properties, and including new construction would allow improvements made by employers who own their own buildings.

The Tax Extenders and Alternative Minimum Tax Relief Act of 2008 may be considered an NFIB key vote for the 110th Congress. Thank you for your consideration on this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Danner", is written over a horizontal line that extends to the right.

Dan Danner
Executive Vice President
Public Policy and Political

National Federation of Independent Business

1201 F Street NW * Suite 200 * Washington, DC 20004 * 202-554-9000 * Fax 202-554-0496 * www.NFIB.com