

2026 SMALL BUSINESS LEGISLATIVE PRIORITIES

2025 was an eventful year for small businesses, highlighted by the passage of a tax bill that prevented a massive tax hike by making the 20% Small Business Deduction permanent. This past year also contained important regulatory relief in the form of the Treasury Department's exemption of American small businesses from a \$73 billion beneficial ownership information reporting regulation.

As we move into 2026, NFIB urges Congress to build upon the successes of this past year and pass legislation that will allow the small business economy to flourish. Every item outlined below will lower costs for small businesses and, in turn, make life more affordable for consumers.

01

Permanently Exempt American-Owned Small Businesses from Beneficial Ownership Information (BOI) Reporting

This \$73 billion regulation affecting over 32 million small businesses is one of the costliest in modern history. Not only is it burdensome, but it is intrusive, and simple paperwork violations could result in jail time. Congress needs to permanently exempt American-owned small businesses from this onerous regulation. This can be done by supporting the *Repealing Big Brother Overreach Act* (H.R. 425, S. 100), which would repeal the Corporate Transparency Act or by codifying Treasury's BOI rule, which exempts American-owned small businesses and destroying the BOI of millions of small businesses that have already filed.

02

Inject Competition into the Credit Card Swipe Fee System

Small businesses must compete on prices or risk going out of business. Visa and Mastercard set swipe fees in a way that prevents banks from competing on interchange fees. This amounts to cartel style rate setting and removes market forces from setting competitive rates. Congress should pass the *Credit Card Competition Act* and make banks and credit card companies compete for business just like small businesses do every day. Federal antitrust regulators should also investigate the interchange rate-setting practices of Visa and Mastercard for potential violations.

03

Build Upon the Successes of the One Big Beautiful Bill Act (OBBBA) and Lower Taxes for Small Business Owners

The tax bill was a historic win because it stopped a massive tax hike on over 30 million small businesses by making the 20% Small Business Deduction permanent. If Congress wants to give a jolt to small businesses, they can increase the size of the small business deduction. In fact, the original version of OBBBA increased the Small Business Tax Deduction to 23%.

Congress can also institute a lower tax rate for small C-corporations. Prior to 2017, small businesses organized as C-corporations only paid a 15% rate on their first \$50,000 in income. NFIB recommends reinstating a lower rate for small C-corporations.

04

Lower the Cost of Health Care for Small Business Owners

For over 40 years, rising health care costs have been the top problem facing small businesses. Congress must give small businesses greater flexibility and increased choices by allowing pre-tax contributions to their employees through health reimbursement accounts.

Additionally, Congress should expand the menu of options available outside of traditional small group insurance plans by removing barriers for small businesses to join an Association Health Plan (AHP), or eliminating the time limits on Short-Term, Limited-Duration (STLD) insurance plans. Congress should also eliminate costly insurance mandates such as the Essential Health Benefits, Medical Loss Ratio, and Community Rating that drive the cost of health care up.

05

Reduce Anti-Small Business Labor Mandates

Legislation like the *Warehouse Workers Protection Act* and the *Protecting the Right to Organize Act* would unfairly harm small business owners. Congress should reject these proposals to ensure that small businesses are not unfairly treated during negotiations with organized labor.

06

Reduce the Cost of Fuel and Electricity for Small Businesses

Over the last three years, 92% of NFIB members have reported an increase in their energy costs. A majority of small businesses now say that energy costs are “very significant” in operating their business, and most have been forced to raise prices to manage these inputs. NFIB supports common-sense reforms that will make energy more affordable and reliable for Main Street. As electricity demand increases across the country, it is important that energy producers can meet the affordable energy needs of small businesses.

07

Give Small Businesses the Right to Repair Cars, Tractors, and Smartphones

Large manufacturers use their size and position in the market to prohibit small independent repair shops from fixing broken cars, tractors, and smartphones. Congress can stop this by passing legislation prohibiting certain anti-competitive behaviors by large manufacturers. These types of legislative fixes have been referred to, in the past, as “Right to Repair” bills. NFIB supports these bills, including the *REPAIR Act* introduced by Rep. Neil Dunn and Rep. Marie Gluesenkamp Perez.

08

Pass Meaningful Regulatory Reform Legislation

Small businesses do not have the compliance or legal teams to keep up with an ever-changing regulatory environment. Agencies should be required to write less burdensome, easier-to-comply-with regulations for small businesses. Congress can take a step in this direction by passing S. 495/H.R. 1163, the *PROVE It Act*, or introducing legislation that would require less burdensome regulations for small businesses.

09

Don't Let Foreign Investors Get Rich by Suing American Small Businesses

Ninety-seven percent of NFIB members agree that foreign entities should not secretly fund lawsuits against U.S. businesses, yet it continues to happen. This drives up the cost of business insurance and makes many small business owners the targets of frivolous lawsuits. American small business owners should not be fighting foreign investors in court. NFIB supports H.R. 2675 – *Protecting Our Courts From Foreign Manipulation Act*, which will rein in this type of activity.