



January 30, 2020

Delegate Richard C. “Rip” Sullivan, Jr.
Chairman of the House Committee on
Finance, Subcommittee #3
900 E Main Street
Shared Committee Room
Richmond, VA 23219

RE: HB 1109 Corporate income tax; combined reporting requirements; disclosures

Dear Chairman Sullivan and members of the Subcommittee:

As a leading representative of the 30 million small businesses in America and the nearly 750,000 in Virginia, Small Business Majority writes to offer our support for HB 1109, authored by Delegate Hudson. We greatly appreciate the opportunity to share our comments with you about how this legislation would help level the playing field for small businesses in the state.

Small Business Majority was founded and is run by small business owners to ensure America’s entrepreneurs are a key part of thriving and inclusive economy. We actively engage our network of 58,000 small business owners in support of public policy solutions and deliver information and resources to entrepreneurs that promote small business growth and drive a strong, sustainable job-creating economy.

We know from our scientific, third-party opinion polling that small business owners are concerned about creating a level playing field when it comes to taxes. Seven in 10 small business owners believe their business is harmed somewhat or a lot when big corporations use loopholes to avoid taxes. What’s more, the vast majority of small business owners (85%) feel the tax code unfairly benefits large corporations over small businesses.

That’s why we support HB 1109—it would level the playing field for small businesses in Virginia that are unable to use loopholes to lower their tax bills. Currently, many multi-state corporations are able to take advantage of accounting measures to reduce their state tax bills by shifting their profits to a state that tax it at lower rates, giving them an unfair advantage over small businesses.

When large corporations don’t pay their fair share, it hurts small businesses, our economy and so much more. By addressing this issue in Virginia, we can ensure better tax parity between large corporations and smaller firms, while giving a boost to the state’s economy. Thank you for consideration of our views and we look forward to working with you on this important legislation.

Sincerely,

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