

Congress of the United States

U.S. House of Representatives

Committee on Small Business

2361 Rayburn House Office Building

Washington, DC 20515-6515

October 5, 2010

The Honorable Douglas Shulman
Commissioner
Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, DC 20224
Via Facsimile: 202.622.4733

Dear Commissioner Shulman:

On June 23, 2010, members of the House Small Business Committee joined me in sending a letter expressing our concerns about Section 9006 of the Patient Protection and Affordable Care Act (P.L. 111-148). That section requires every business to file a 1099-MISC form for each purchase of goods or services of \$600 or more per year from another entity. We have yet to receive a response.

Our letter raised legitimate questions, requested specific information about the timing and implementation of this provision, and asked your guidance in assisting small business owners with compliance. The budget process for Fiscal Year 2012 has begun, and certainly planning resources and personnel for implementing this provision are being discussed.

During the month of August, I traveled to every corner of my Congressional district, visiting small businesses and holding town hall meetings. A significant issue on my constituents' minds was the burden and expense of compliance with this new 1099 requirement.

As you know, the comment period for the proposed rule on this provision ended on September 29, 2010. I am disappointed that after over three months, I have not received a substantive or even an interim response from you on this critical issue. Repeated inquiries by my staff to the Internal Revenue Service's Legislative Affairs Office yielded only that a response is being reviewed or in the clearance process.

Please let me know when I can expect a response. You may contact Jan Oliver of my staff at 202.225.5821 or jan.oliver@mail.house.gov with questions about this letter. Please fax your response to 202.225.3587 or email it to jan.oliver@mail.house.gov.

Sincerely,



Representative Sam Graves
Ranking Member