

Washington, DC -- U.S. Rep. Vern Buchanan today hailed House passage of a small business tax package that includes a provision that is part of Buchanan's "Small Business Growth Act of 2007."

The House passed a \$1.3 billion package of small-business tax breaks to help offset the costs of a proposed increase in the federal minimum wage. Included in the package is a provision that would extend deductions for all or part of a business investment in one year, instead of spreading the tax savings across several years. This provision is part of Buchanan's Small Business Growth Act.

"I am pleased to see this important provision included in legislation passed today by the House," said Buchanan. "By extending this deduction, this bill would encourage investment and increase capital to allow Florida's small businesses to expand, hire new workers, and purchase new equipment. I strongly support pairing a federal minimum wage increase with targeted tax relief for small businesses. Today's action by the House is a strong step in that direction."

In addition to the small business expenses provisions, the House-passed bill would also extend for one year the work opportunity tax credit for employers who hire low-income workers, including disabled veterans. The bill also would allow employers to continue to receive a full tax credit for taxes paid on tip income that employees receive in excess of the current federal minimum wage of \$5.15 an hour.

Congressman Buchanan introduced his Small Business Growth Act last week. Buchanan's five-point plan would make health care more affordable and accessible, suspend fines for first-time paperwork violations, provide tax relief, discourage frivolous lawsuits, and increase the number of government contracts awarded to small business.

Buchanan is Florida's only member of the House Small Business Committee.