



November 15, 2012

President Barack Obama
The White House
1600 Pennsylvania, NW
Washington, D.C. 20500

Dear President Obama:

The National Association for the Self-Employed (NASE) calls on you to reach a bipartisan compromise on the looming “fiscal cliff.” The 22 million self-employed Americans are hard at work each and every day to ensure their businesses are profitable, no easy task given the uncertainty that faces them on December 31, 2012. We believe that common sense solutions derived from genuine compromise should prevail and we urge your immediate action.

The worse-case scenario for the self-employed and micro-business community is severe, if not potentially irreversible. For example, NASE tax experts estimate that the self-employed tax liability could grow by \$2,700 to \$3,700, if Congress fails to act. This is simply unacceptable. The NASE supports efforts to extend tax cuts for families and individuals with a household income of \$250,000 or less. The majority of self-employed household are below this threshold. However, we feel strongly there should be willingness to compromise amongst both sides of the aisle to allow for a path forward and to avoid tax increases that would damage our economy.

In our recently released tax survey, our members expressed the need for policymakers to address long-term, comprehensive tax reform. However, of more importance and concern to them is the looming threat of expiring tax cuts which would have severe economic impact on them if not addressed by year’s end. Our members recognize the seriousness of our fiscal state, and are willing to make sacrifices to address the deficit our nation faces. Sixty-one percent would be amenable to giving up a number of deductions, if the individual tax rate were dropped to an acceptable level. These are the top five deductions currently taken: charitable contributions, health insurance deduction, mortgage interest deduction, qualified medical and dental expenses, home office deduction and retirement contributions. When asked what top three deductions should remain, respondents chose the health insurance deduction, mortgage interest deduction and contributions to retirement accounts.

The time is now for bipartisanship. It is our hope that Congress and the Administration will work towards an equitable and long-term solution to the “fiscal cliff” as well as the many challenges we face as a country, realizing we are stronger united than divided.

The NASE stands ready to help you create an economic and business environment that champions entrepreneurship and self-employment as a path to **economic freedom**.

Sincerely,

A handwritten signature in blue ink that reads "Kristie Arslan".

Kristie Arslan
President & CEO
National Association for the Self-Employed