

# NFIB

## The Voice of Small Business.®

---

Washington, DC · January 20, 2016

### **Survey: Small Business Owners Concerned By Taxes, Regulations**

*Poll Finds Tax Burden The Top Concern For Two-Thirds Of Small Business Owners*

According to a new survey of 408 US small businesses conducted Jan. 7 and 8 for the Job Creators Network, more than half of US small business owners are concerned about the burdens government places upon them. Two-thirds of small business owners “said overtaxation prevents growth and threatens viability, while 61 percent said they feel the burden of federal rules weighing on their business,” the *Daily Caller* reported. Of those surveyed, only 19 percent “said they planned on hiring in the next year and just 27 percent said they expect things to get better next year.” The Job Creators Network survey found that “business owners listed the complexity of the tax code as another major issue they face,” and that the majority said federal regulations on a range of issues from Obamacare to the minimum wage are preventing them from growing their businesses. The report said, “Small businesses face some of the highest tax rates in the developed world even accounting for the fact that most of them are so-called pass through companies that pay at individual income tax rates.” The Caller pointed out that the JCN survey echoes results of other recent reports. For example, a Bank of America survey published in 2015 found that “64 percent of small business owners are still trying to bounce back from the

great recession.” Additionally, NFIB research has found that “payroll taxes are particularly problematic when it comes to growth,” because they boost labor costs, eating into small businesses’ cash flows and boosting the costs of financing their businesses.

#### **What This Means For Small Businesses**

Small businesses are clearly bearing the brunt of government mandates. When it comes to regulation, the *Daily Caller* reported that NFIB Executive Director Karen Harned in July 2015 told Congress, “Regulatory costs are now nearly \$12,000 per employee per year, which is 30 percent higher than the regulatory-cost burden that larger businesses face.” The new JCN survey simply highlights the troubling reality small business owners across the US face.

#### **Additional Reading**

In an op-ed in the *Las Cruces (NM) Sun-News* Alfredo Ortiz, president and CEO of the Job Creators Network, commented on the JCN survey results following President Obama’s latest State of the Union address.