

THE HILL

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A growing economic powerhouse, Hispanics will benefit from tax cuts

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In business, a performance review is essential to evaluating new employees on their track record and potential for future success. In Congress, those employees — our elected representatives — sometimes fail to hit the performance mark for the American people. However, unlike a watchful boss, we keep promoting them.

Recent failures to achieve meaningful reforms are frustrating, but the debate around tax relief is giving Congress another opportunity to demonstrate their leadership and effectiveness. Tax cuts will help strengthen Main Street America and grow the small businesses that are responsible for two-thirds of all new job creation.

As advocates for the Hispanic small business sector — an increasingly important element of the overall American economy — we believe it is critical to highlight the positive effects of meaningful tax cuts on the Latino community, especially during this Hispanic Heritage Month.

Hispanics now make up a significant chunk of the U.S. population and according to the U.S. Bureau of Labor Statistics, Hispanics and Latinos are now the largest minority group in the U.S. — boasting a population of 56.5 million people. And by the year 2060, their population is expected to more than double to 119 million.

On top of their sheer population expansion, Hispanics also own and operate over 4 million businesses in the U.S. and are responsible for \$2.13 trillion of the gross domestic product — or the total value of U.S. goods and services produced in a given year.

These Hispanic entrepreneurs are some of the newest and most dynamic business leaders in the country and they are driving a considerable amount of the country's economic growth. In fact, the number of Hispanic-owned businesses in the U.S. grew by 7.5 percent between the years 2012 and 2015 — 15 times the rate of U.S. businesses in general.

These Hispanic-owned businesses and the people they employ will uniquely benefit from tax cuts because of their expanding footprint in the U.S. economy. This is especially true when the U.S. has some of the highest tax rates in the world, specifically for pass through small businesses — which can pay federal rates as high as 40 percent.

The economic impact of Hispanic-owned businesses and the spending power of their employees is already sizable, so imagine the growth that could occur if these business owners could keep more of what they earned and reinvest it back into their businesses and staff.

This relationship between tax cuts and small business driven economic expansion is seen clearly in a nationwide poll of small business owners recently conducted by the Job Creators Network. It showed that a majority of respondents would direct their tax cut savings back into their businesses by creating more jobs, raising wages, and expanding to new locations.

Tax relief for small businesses will accelerate job creation, increase economic opportunity, and grow the middle class. Simply put, more people will be able to realize the American dream.

Congress has a once in a generation opportunity to pass tax cuts that will pay dividends to all Americans for years to come. We are eager to support passage of legislation that will benefit the Hispanic community and the country at large.

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