

CLIENT BULLETIN

President Signs Law Repealing 1099 Reporting Provision of Affordable Care Act

On April 14, the President signed H.R.4 into law. H.R.4 repeals the 1099 reporting provision that was part of the *Affordable Care Act*. The new law came after nearly a year of wrangling to get this very unpopular part of health care reform reversed. The law is the first successful action to repeal part of the *Affordable Care Act*.

The 1099 tax-reporting provision of the health care law requires businesses to report all purchases of \$600 or more to the Internal Revenue Service (IRS) and has been attacked as placing a heavy, needless record-keeping burden on small businesses.

The text of the new law is available by "[clicking here.](#)"

In response to the passage of the law, the White House issued the following statement:

As the President said during the State of the Union, we are open to working with Republicans and Democrats to improve the health reform law and we are pleased Congress has acted to correct a flaw that placed an unnecessary bookkeeping burden on small businesses. Small businesses are the engine of our economy and eliminating the 1099 reporting requirement is the right thing to do. As we move forward, we look forward to improving the tax credit policy in this legislation to ensure we protect small businesses and middle-class families. And the Administration remains eager to work with anyone with ideas about how we can make health care better or more affordable for all Americans.

<http://www.whitehouse.gov/the-press-office/2011/04/05/statement-press-secretary-passage-hr-4>

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