



NEWS RELEASE

PRESS OFFICE

Release Date: June 13, 2003

Contact: Sue Hensley (202) 205-6444

Release Number: 03-42

Internet Address: <http://www.sba.gov/news/indexheadline.html>

New SBA Fact Sheet Details Impact of Jobs and Growth Tax Relief

Will Immediately Help 23 Million Small Business Owners

WASHINGTON – The U.S. Small Business Administration’s Office of Advocacy has released an analysis document explaining how the provisions in the Jobs and Growth Tax Relief Reconciliation Act will help America’s 23 million small business owners.

Chief among the provisions to assist small businesses is the acceleration of the tax cuts enacted in 2001, with the top rate decreasing from 38.6 percent to 35 percent. With the majority of small businesses filing individual returns as sole proprietorships, 79 percent of this tax relief will go to small businesses. This means approximately \$9.7 billion in tax relief of \$12.4 billion will benefit small business owners.

The new expensing provision is also critically important to small business investment, increasing the amount of equipment a small business can immediately expense from \$25,000 to \$100,000. Estimates are that more than 500,000 businesses will directly benefit from this change.

“Small businesses are not only the engine that fuels America’s economy; they are the first to invest extra revenue or tax relief back into their companies,” said SBA Administrator Hector V. Barreto. “By providing accelerated tax relief and increasing the expensing provision, small businesses across the country will be able to buy new equipment, hire additional employees and grow their businesses. And we believe growing businesses will translate into new jobs and economic revitalization across America.”

The fact sheet is attached to this release and can also be found electronically on the SBA’s website, located at http://www.sba.gov/advo/factstax_0603.pdf

#

*For more information about SBA’s programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA or TDD 704-344-6640 or visit the SBA’s extensive Web site at www.sba.gov. The SBA, in co-sponsorship with Staples, has introduced an online newsletter **SBA Solutions**. For a free subscription, go to <http://web.sba.gov/list> and select New **SBA Solutions Newsletter**.*