

Recent Press Releases

January 25, 2011

Johanns Opens Legislative Agenda With Bills Aimed At Job Creation And American Competitiveness

WASHINGTON -- On the first day to introduce legislation in the 112th Congress, Sen. Mike Johanns (R-Neb.) has taken action to address the need for job creation and economic growth. Johanns introduced three pieces of legislation that would increase the competitiveness of American businesses and exporters; repeal the burdensome 1099 tax reporting paperwork mandate; improve U.S. relations abroad; and stimulate job creation.

- The **Small Business Paperwork Elimination Act** would repeal the 1099 tax paperwork mandate embedded in the new health care law; it is identical to a measure Johanns introduced last year that received 61 Senate votes. Johanns currently has 52 cosponsors, including 12 Democrats.

Business owners, farmers and community leaders across the country are all depending on Congress to relieve the looming burden of the 1099 mandate,"Johanns said. I am confident that many of the roadblocks to repeal are gone. Passage of this repeal would send a powerful bipartisan message."

- A **Sense of the Senate resolution** would urge approval of pending free trade agreements with South Korea, Colombia and Panama.

With our country's unemployment rate still unacceptably high and our trade competitors rapidly leveling the playing field for their workers, it is imperative that President Obama send the trade agreements with South Korea, Colombia and Panama to the Senate for approval. Because of the Administration's inaction, tens of thousands of jobs and billions of dollars in exports are on hold while the agreements collect dust on the shelf,"said Johanns.

- The **Restoring America's Competitiveness in Enterprise (RACE) Act** would lower the U.S. corporate tax rate, soon to be the highest in the world, to a maximum of 20%, more closely resembling similarly free and enterprising nations.

Lastly, with a stagnant economy, it's time to lower the corporate tax rate to encourage job creation here at home. The U.S. rate will soon be the highest in the world and that's unacceptable,"added Johanns. Washington can't continue to say one thing and do another, imploring job creation while saddling business with unparalleled tax burdens."

Sen. Johanns outlines the impact of the 1099 mandate in [an op-ed in today's POLITICO](#) and [discusses the impact of trade policy](#) on the domestic economy in today's The Hill.

1099 REPEAL – Small Business Paperwork Elimination Act

The Small Business Paperwork Elimination Act would repeal Section 9006 of the health care law, passed last year, which expands the requirement to submit 1099 tax filing forms for business expenses to include all transactions that total \$600 or more per vendor per year. The provision would impact businesses, family farms, churches, charities and local governments. Numerous Nebraskans have contacted Sen. Johanns to outline [the extent to which they would be impacted](#) by the 1099 mandate.

A copy of the Small Business Paperwork Elimination Act Bill can be found below.

Trade Agreements – Sense of the Senate Resolution

The U.S. International Trade Commission (USITC) has projected the trade agreements with South Korea, Colombia and Panama would increase U.S. exports by as much as \$12 billion annually and create up to 27,000 jobs. These agreements would level the playing field for America's producers by eliminating tariffs on many U.S. exports to these countries, ranging from agricultural to commercial and industrial exports. Virtually all products exported by these three countries enter the U.S. duty free, and American producers are awaiting the same opportunity.

A copy of the free trade resolution introduced today by Sen. Johanns can be found below.

Restoring America's Competitiveness in Enterprise (RACE) Act

The average combined federal and state corporate tax rate in the U.S. in 2010 was 39 percent, which ranked the U.S. second after Japan for the highest in the world. However, Japan recently announced it will reduce its corporate tax rate by five percent in 2011, making the U.S. top the list.

At least 27 other developed nations have cut their general corporate income tax rates since 2000. A recent study found capital investment in these countries has grown and corporate tax revenues as a share of GDP have risen.

According to a July, 2010 analysis by PricewaterhouseCoopers, the U.S. would have to reduce its federal rate more than 20 percent to match the average of more than 30 competing countries.

A copy of the RACE Act can be found below.

Related Files:

- Sense of the Senate resolution - [Korea Colombia Panama FTA Resolution 2011.pdf](#) (24.9 KBs)
- RACE Act - [RACE Act 112th.pdf](#) (23.0 KBs)
- 1099 Repeal - [Small Business Paperwork Mandate Elimination Act 112th.pdf](#) (24.8 KBs)