

**For Immediate Release:** *October 26, 2011*

**Washington D.C.**--Congressman Duncan Hunter today supported legislation, H.R. 674, to repeal the job-killing 3 percent withholding tax scheduled to go into effect on January 1, 2013.

“There are areas of common agreement between House Republicans and the President on jobs and the economy—and this is one of them.

“Proponents of the 3 percent withholding rule argued it would help close the tax gap, when in reality it’s just another costly and unnecessary burden on small businesses. These are the country’s leading job creators and when we talk about restoring the economy and lost jobs, this bill is the type of common sense idea that translates into something meaningful for employers.

“I’ve been meeting with many San Diego small business owners and for some, especially companies that compete in the public-sector market, repealing this tax is a high priority.

Cash-flow is everything and while 3 percent might not sound like much, many small business contractors work for less than 3 percent profit. The ability to make a payroll or cover expenses would only get harder with this tax.

“This bill represents an important step in the right direction—providing job creators with the relief they need to start putting people back to work. It’s important that the Senate move quickly to pass this legislation and deliver it to the President for signature.”