



NATIONAL ASSOCIATION OF REALTORS®

*The Voice For Real Estate®*

500 New Jersey Avenue, N.W.  
Washington, DC 20001-2020  
202.383.1194 Fax 202.383.7580  
[www.realtors.org/governmentaffairs](http://www.realtors.org/governmentaffairs)

Vicki Cox Golder  
CRB  
*President*

Dale A. Stinton  
CAE, CPA, CMA, RCE  
Chief Executive Officer

GOVERNMENT AFFAIRS DIVISION  
Jerry Giovaniello, Senior Vice President  
Gary Weaver, Vice President  
Joe Ventrone, Vice President  
Jamie Gregory, Deputy Chief Lobbyist

December 11, 2009

The Honorable Evan Bayh  
United States Senate  
131 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Bayh:

On behalf of the 1.2 million members of the National Association of Realtors®, I thank you for introducing the Tax Equity for the Self-Employed amendment (S. Amdt. #3013) to The Patient Protection and Affordable Care Act. This critical change would provide the nation's self-employed individuals, including Realtors®, with a partial deduction for health insurance premiums when computing their self-employment taxes.

This amendment begins to rectify the current inequitable tax treatment of health insurance premiums that penalizes the self-employed. Today, when an employer pays any portion of an employee's health insurance premiums, neither the employer nor the employee pay any payroll tax on that payment. The self-employed person's premium payment, however, does not receive this same tax treatment.

While self-employed persons are permitted to deduct their health insurance premium payments in computing income for income tax purposes, they are not allowed to deduct health premiums when calculating their self-employment tax payments. As a result, these small business persons are required to pay an additional 15 percent in self-employment tax on the very sizeable healthcare premiums they pay. This is an inequitable result.

Today, the lack of affordable health insurance is the primary reason that 28% of NAR's membership is uninsured. NAR believes that this amendment will do much to help the nation's real estate professionals pay for health insurance. We urge the Senate to accept the amendment and take the additional step of allowing self-employed health insurance premiums to be 100 percent deductible. Only then will the taxation of the self-employed be on the same footing as employers and employees.

We thank you for your efforts on behalf of our members.

Sincerely,

Vicki Cox Golder, CRB  
2010 President, National Association of REALTORS®

