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Congress of the United States

U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS

1102 LONGWORTH HOUSE OFFICE BUILDING
(202) 225-3625

Washington, DC 20515-6348

<http://waysandmeans.house.gov>

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June 11, 2010

Douglas H. Shulman
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Room 3241
Washington, DC 20224

Dear Commissioner Shulman:

I understand you released guidance today regarding one of the new health care law's many tax increases – the 10-percent tax on individuals using indoor tanning services. The Joint Committee on Taxation has estimated that Americans, many of whom are middle class individuals and families, will pay \$2.7 billion in higher taxes as a result of this provision.

Earlier this year, your office sent over 4 million postcards advertising the small business health care credit and explaining many of its complex details and cumbersome requirements. Your agency undertook these extensive notification efforts notwithstanding the fact that many recipients of those letters are, in fact, ineligible for that credit -- either because they have too many employees, pay too much in wages, or both – and thus could be subject to IRS audit if they mistake the IRS letter for permission to take the credit. In fact, the Congressional Budget Office estimates that only 12 percent of those who get health insurance from a small business work for an employer that will be eligible to receive the credit.

In contrast, every tanning salon or other business that offers separately-priced tanning services will be forced to administer this new tax and every consumer receiving services subject to this new tax will be required to pay it, regardless of their income levels or other characteristics. Please describe what similar measures (e.g., mailing postcards) the IRS plans to take to notify potentially affected businesses and consumers about this new \$2.7 billion tax.

All told, the Democrats' health care law imposes \$569.2 billion in new taxes, more than a dozen of which will fall on families earning less than \$250,000 per year – the level at which President

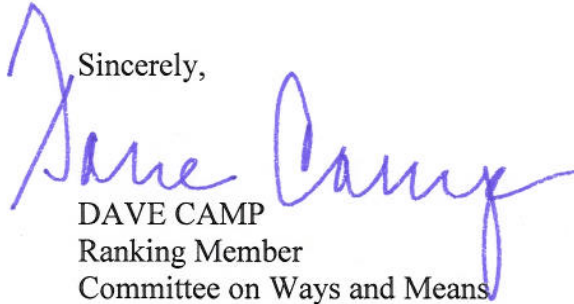
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Obama repeatedly promised no American would pay higher taxes. Please describe any additional general steps the IRS intends to take to provide American taxpayers with detailed explanations of the rest of these numerous tax increases, many of which take effect in the near future.

I look forward to your response and to your continued efforts to inform American employers, workers, and consumers of the numerous tax changes included in the new health care law, including not just its very modest tax benefits, but its far more numerous and substantial tax increases.

Sincerely,



DAVE CAMP
Ranking Member
Committee on Ways and Means