

S 2634

Small Business Tax Fairness and Compliance Simplification Act

Congress: 116 (2019–2021, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Oct 17, 2019

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Oct 17, 2019)

Official Text: <https://www.congress.gov/bill/116th-congress/senate-bill/2634>

Sponsor

Name: Sen. Cardin, Benjamin L. [D-MD]

Party: Democratic • **State:** MD • **Chamber:** Senate

Cosponsors (2 total)

| Cosponsor | Party / State | Role | Date Joined |
|--------------------------|---------------|------|--------------|
| Sen. Portman, Rob [R-OH] | R · OH | | Oct 17, 2019 |
| Sen. Roberts, Pat [R-KS] | R · KS | | Oct 30, 2019 |

Committee Activity

| Committee | Chamber | Activity | Date |
|-------------------|---------|-------------|--------------|
| Finance Committee | Senate | Referred To | Oct 17, 2019 |

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

| Bill | Relationship | Last Action |
|-------------|----------------|--|
| 116 HR 1349 | Identical bill | Feb 25, 2019: Referred to the House Committee on Ways and Means. |

Small Business Tax Fairness and Compliance Simplification Act

This bill expands the tax credit for a portion of the employer-paid Social Security taxes for employee cash tips to include beauty service establishments. (Under current law, the credit is limited to tips received for providing, serving, or delivering food or beverages.)

The credit applies to tips received in connection with providing beauty services to a customer or client if tipping employees who provide the service is customary. "Beauty services" include barbering and hair care, nail care, esthetics, and body and spa treatments.

The bill also (1) establishes an employer tip reporting safe harbor, and (2) specifies reporting requirements for income received from renting space to individuals who provide beauty services.

The employer tip reporting safe harbor provides an exemption from certain Internal Revenue Service tip examinations for employers who meet certain requirements for educational programs, reporting procedures, compliance with tax law, and recordkeeping.

Actions Timeline

- **Oct 17, 2019:** Introduced in Senate
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