

S 1233

Small Business Tax Fairness and Compliance Simplification Act

Congress: 117 (2021–2023, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Apr 20, 2021

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

Latest Action: Read twice and referred to the Committee on Finance. (Apr 20, 2021)

Official Text: <https://www.congress.gov/bill/117th-congress/senate-bill/1233>

Sponsor

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

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

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Portman, Rob [R-OH]	R · OH		Apr 20, 2021
Sen. Stabenow, Debbie [D-MI]	D · MI		Mar 17, 2022
Sen. Brown, Sherrod [D-OH]	D · OH		Apr 6, 2022
Sen. Ossoff, Jon [D-GA]	D · GA		Sep 8, 2022

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Apr 20, 2021

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
117 HR 821	Related bill	Feb 4, 2021: 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 for beauty service establishments, and (2) specifies reporting requirements for income received from renting space to individuals who provide beauty services.

The employer tip reporting safe harbor for beauty service establishments 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

- **Apr 20, 2021:** Introduced in Senate
- **Apr 20, 2021:** Read twice and referred to the Committee on Finance.