FPA
FINANCIAL PLANNING ASSOCIATION

NEWS RELEASE

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FPA Applauds Action to Repeal Expanded 1099 Requirements

Washington, D.C. – The Financial Planning Association® (FPA) commended the U.S. House Committee on Ways and Means for voting on Thursday to repeal the expanded 1099 information reporting requirements that were included in last year's health care reform bill.

"FPA is pleased that the Ways and Means Committee is addressing this issue. The expanded 1099 requirement will greatly increase the reporting and recordkeeping burden on all types of businesses. This burden could be twofold on FPA members as they are financial planners who *serve* small businesses and, in many cases, *are* small businesses," said FPA executive director and CEO Marvin W. Tuttle, CAE. "We look forward to working with members of Congress to repeal this cumbersome requirement before it becomes effective next year."

Without action, the expanded information requirement becomes effective in 2012 and will require any taxpayer with business income to issue 1099 forms to all vendors from whom they purchased more than $600 of goods and services annually. According to the IRS' National Taxpayer Advocate, over 38 million taxpayers will be affected and that the resulting administrative burden would be far outweigh the value of the information for the IRS.

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About the Financial Planning Association

The Financial Planning Association® (FPA®) is the largest membership organization for personal financial planning experts in the U.S. and includes professionals from all backgrounds and business models. FPA members adhere to the highest standards of professional competence, ethical conduct and clear, complete disclosure to those they serve. Based in Denver, Colo., FPA works in alliance with academic leaders, legislative and regulatory bodies, financial services firms and consumer interest organizations. For more information about FPA, visit www.FPAnet.org or call 800.322.4237.