



January 31, 2023

The Honorable _____
U.S. Senate / U.S. House of Representatives
Washington, D. C.
20515 / 20510

Dear _____:

On behalf of [Gusto](#), I look forward to working with you and your staff in the 118th Congress. Gusto is a people platform built to empower small and medium-sized businesses – we provide payroll, a full suite of employee benefits, and human resource tools to over 200,000 small businesses, and millions of their employees. We are proud that the businesses we serve create jobs for hardworking Americans and bolster economic development opportunities for communities across the nation.

Gusto provides services to ensure employers have the resources needed to run their businesses, comply with all applicable laws, and take care of their teams. We support our customers from the day they hire their first employee and as they grow their business. We hope to work with you in creating sustainable solutions for many of the leading issues impacting the small business community including enhanced tax incentives and expanding access to healthcare and retirement benefits.

Tax Incentives

We ask that this Congress take the opportunity to address the section 174 Research and Development (R&D) tax incentive, which was not addressed last Congress. Legislation is needed to restore the ability for [small businesses](#) to immediately deduct R&D investments – ensuring that R&D remains an effective engine for American innovation and economic growth.

Recent Gusto [data shows that the R&D Tax Credit](#) plays a significant role in how small and medium-sized businesses (SMBs) financially plan. Congress needs to act to ensure SMBs have the resources needed to avoid painful decisions to reduce staff and/or investment.

Healthcare

The 118th Congress should address healthcare accessibility for *all* businesses, especially small businesses. We ask that you consider the proposals outlined in our recently released [Health Insurance Reform Policy Recommendations](#), which would unlock the opportunity for more small businesses to offer employer-sponsored healthcare insurance. Additionally, please consider viewing our congressional briefing on "[Healing Small Business Healthcare: Exploring Proactive Health Insurance Policy Solutions for Small Businesses](#)," which discusses these much-needed policy solutions to improve healthcare affordability for the small business community.



Retirement Benefits

Employer-sponsored retirement plans are the most common form of retirement savings for Americans, although many small businesses face barriers to providing them. This is particularly concerning because small businesses provide nearly half of the jobs in the United States, and securing access to employer-sponsored retirement plans for small business employees is crucial to preparing them for retirement and decreasing the strain on public welfare programs. We pride ourselves in helping small businesses navigate the many different retirement products, and provide seamless integration with our partners which lowers the cost and time needed for administration. As such, we support legislation that lowers the cost and complexity of offering retirement benefits, specifically expanding 401(k) safe harbor plans.

How We Can Help

To help better inform business owners, researchers, policymakers, journalists, and workers across the country, we launched the [Gusto Economic Trends Tracker](#), which provides a real-time look at developing economic trends in employment, wages, and hours worked. This interactive dashboard can examine data across businesses nationwide or filtered by industry, state, metropolitan area, age group, or gender. By allowing access to Gusto's unique data ahead of the government's economic indicators, we are providing a real-time look at the patterns developing at more than 200,000 small- and medium-sized businesses across America.

Through our regular [research](#) surveying the small business community, we offer ourselves as a resource in data collection, analysis, and/or issue identification impacting small businesses in your state. We have regular insights into how the small business community is faring - understanding the pain points of our customers guides our advocacy around policy that alleviates the barriers small businesses face.

We thank you for your efforts and look forward to working with you to create policy solutions that will create tangible results for the small business community. If you would like to learn more, please visit our [website](#), or reach out to Steve Abbott at steve.abbott@gusto.com with any questions.

We appreciate your time, and we look forward to working with you this year.

Sincerely,

Steve Abbott
Head of Public Policy and Government Affairs
Gusto