



Victory – President Signs Repeal of the 3% Withholding Tax

WIPP is happy to announce that the long fight to repeal the 3% withholding tax has finally come to an end. President Barack Obama has signed H.R. 674 into law, officially repealing this onerous tax requirement. Both the House and Senate had voted overwhelmingly in support of this repeal bill, setting the stage for President's signature.

The bill also includes a measure that provides tax credits to businesses that hire unemployed veterans. Tax credits range from up to \$2,400 for hiring a veteran who has been out of work between 1 and 6 months, \$5,600 for hiring a veteran unemployed 6 months or longer, and \$9,600 for hiring a veteran with service-related disabilities who has been unemployed for 6 months or longer.

WIPP has been calling for repeal of this onerous law since it was passed in 2006. WIPP has issued action alerts, written letters to Congress, urged repeal during Hill visits and has been a member of the Government Withholding Relief Coalition, a group of 154 other organizations that came together to fight the 3% withholding tax requirement. WIPP applauds the efforts of everyone who helped make this repeal happen.