



S Corporation Association Update April 9, 2018

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1. PMSE Letter on Aggregation

Chris Smith, csmith@mainstreetemployers.org

PMSE continues to promote the recent [comment letter](#) to Treasury and the IRS on the need to allow aggregation of business units under the new 20% deduction—now supported by **45 national trade groups**, including the U.S. Chamber, AICPA, and the National Association of Realtors. And in response to a [Wall Street Journal article](#) raising questions about the deduction, PMSE said:

"Well before #TCJA, [@MainStEmployers](#) used multiple entities for non-tax business reasons: operations vs real estate vs payroll. Now they risk losing the 20% deduction just because of the way they were already organized. 40+ biz groups say that's a big problem."

2. S-Corp in the News

Brian Reardon, breardon@s-corp.org

Bloomberg Law did a nice write-up on the PMSE letter and the issues it raises, "How Firms Could Sidestep Tax Law's Pass-Through Deduction Limits" featuring S-Corp and some of the other groups we work with:

"... Brian Reardon, president of the Washington-based S Corporation Association, one of the groups that signed the letter, warned that, absent a decision by the government to let pass-throughs aggregate, companies could be ushered into costly reorganization. Other representatives from groups that signed the letter who spoke with Bloomberg Tax decried a lack of tax fairness between pass-throughs and C corporations, which the law afforded a 21 percent rate."

Read the [full article](#).

3. Making States More Main Street Business Friendly

Brian Reardon, breardon@s-corp.org

If you did not get a chance to read our most recent write-up on how SALT applies to your S Corporation, you can read the full [Washington Wire](#) here.

“Like C corporations, S corporations are subject to state and local income taxes imposed on qualified business income. Unlike a C corporation where the state and local income tax is incurred and paid at the entity level, however, an S corporation remits its share of state and local income taxes in three different ways, depending on the state...”

4. S-Corp Member Survey

Brian Reardon, breardon@s-corp.org

Good policy demands good information. Response to our tax overhaul survey has been positive and helpful, but more responses are needed! If you are an S corporation business, please fill out the new S-Corp Survey. We need to better understand how the bill is affecting your business and your planning. You can access the survey [here](#). Please note that all responses are anonymous and will not be traced to any member or business.

5. S-Corp Monthly Membership Call – Tuesday, April 17, 4:00 p.m. (ET)

Christine Walizer, cwalizer@s-corp.org

Our next Membership WebEx will be next **Tuesday, April 17 at 4:00 p.m. (ET)**. We will discuss the tax law and its implications for S corporations, there will be a question and comment period, and a presentation will be made available to participants. We look forward to hearing from you during the call.

WebEx: Please [REGISTER HERE](#) by entering your name, email and company. Once your registration is approved, a confirmation email will be sent to you with the call information. A reminder email will be sent 15 minutes prior to the call for you to click the “join the meeting” link.

Conference Line: If you prefer join by phone only, the dial in number is **1-510-338-9438**

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