



**S Corporation Association Update**  
**September 11, 2019**

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**1. Perception v. Reality on Tax Rates**

First published in *The Hill*:

Here's a conundrum. A recent poll revealed that 76 percent of Americans support increasing taxes on the "wealthy," while sixty-one percent support the wealth tax proposed by Senator Elizabeth Warren, which is like an income tax, only at ridiculously high rates.

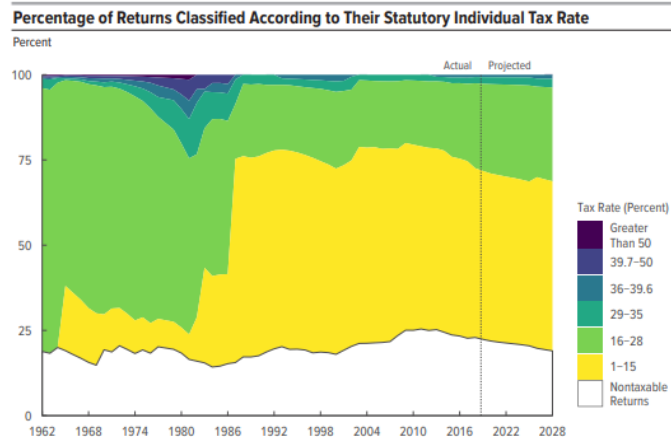
But polls also show Americans consistently oppose high tax rates, even on the wealthy. This summer, for example, the Winston Group asked registered voters: "For each of the following, what is the maximum rate at which you think they should be taxed?" ...[T]he average responses were all consistently low, ranging from a high of 31 percent for the wealthy down to just 17 percent for small and family-owned businesses.

Read the entire op-ed [here](#).

**2. Failure of High Marginal Rates**

Earlier this year, the Congressional Budget Office produced a [report](#) reviewing tax rates on labor income since 1962 that includes some important lessons for tax policy folks.

The first lesson is that nothing replaces a really cool chart. Take this heat map, for example. What a great way to convey a lot of information all at once. If you're a taxpayer, the simple way to view it is lighter colors good, darker colors *baaad*.



Read the full post [here](#).

### 3. Law360 on SALT Parity

More on the burning question of the day – when, if ever, will Treasury issue something on our SALT Parity efforts?

This time Law360 [discusses](#) the question in “*IRS Silence Encourages Pass-Through SALT Cap Workaround*” and makes a very important point – the tax returns for S corporations that filed for an extension this year are due next Monday. The CT and WI SALT reforms began tax year 2018, so many S corporations in those states will submit their federal returns using the new entity level tax.

At some point, Treasury inaction is making a statement of its own.

### 5. Social Media Update

If you get the chance, please visit our website at [S-Corp.Org](http://S-Corp.Org) or our [YouTube](#) page. Lots of good stuff and congrats to our new video stars – Tony, Tom, Steve, Dan, Chris and Clarene!



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