What You Need to Know About Joe Biden’s Federal Tax Plan Before November 3

CPA and attorney Mark Kohler explains how Biden’s plan will affect small businesses.

October 30, 2020 2 min read

Opinions expressed by *Entrepreneur* contributors are their own.

In this video, CPA and attorney Mark Kohler breaks down the stated goals for Vice President Joe Biden’s tax plan, should he be elected on November 3. While explaining that he does not wish to sway anyone’s vote or argue over the politics, Kohler says he only wants to inform the audience about what he considers both the good and the bad of Joe Biden’s tax plan, from a small-business owner’s perspective.

To start with the negative impact, Kohler notes there is plenty to criticize in Biden’s plan, which includes an increase for the top-level tax rate (for those earning more than $400,000). He also thinks it’s likely that many of the small-business strategies introduced in the Jobs Act would likely expire in 2023 under a Joe Biden presidency.

On the positive side, there is a small business fund, somewhere around $60 billion, for entrepreneurs with 20 or fewer employees. In Kohler’s view, this fund is something of an extension of the PPP, or payroll protection program, that was enacted earlier this year to help ensure companies could keep their employees and deliver paychecks to them.

Biden says he wants to reduce burdensome rules on state

regulations and state licensing. However, Kohler notes that since these are state laws, even the president may have limited power to change them. Kohler also says that Biden has not been specific about how he could pull this off.

Related: How Joe Biden’s Tax Plan Could Affect Small-Business Owners

Next, Biden is focused on immigration reform that helps small-business owners. For example, if a factory or farm is hiring immigrants to come in and do labor, it might be easier for them to do so under Biden’s tax plan.

Last, Biden wants to create more funding for entrepreneurs in the Small Business Administration (SBA). This includes more SBA loans and other strategies to help entrepreneurs start a business through the SBA.

Watch the full video to see the full discussion on these points. Then, Kohler answers viewers’ questions on the federal tax plans each candidate is offering.

https://www.entrepreneur.com/video/358796