

Understanding Our Economy

Self-Employment Can Help Fuel Economic Recovery

(NAPSA)—When it comes to the economy, those who are self-employed contribute a mighty portion. That's the word from experts who say that nearly 80 percent of all small businesses in the United States are made up of the self-employed.

It's estimated that there are about 23 million such businesses that may have a storefront or operate from a home office. Their small size makes them acutely aware of economic conditions and policy changes.

Though vulnerable to tough economic times, self-employed businesses have grown faster than all other business types in recent years and are historically a key driver of economic recovery after a recession. In fact, business startups reached their highest levels in 14 years during 2009, suggesting that laid-off workers are choosing to join the ranks of the self-employed rather than take their chances in a job market that remains unstable.

That's just one of the key messages from an initiative designed to encourage legislators to support self-employment, since that demographic makes up 78 percent of all small-businesses.

"Not only do the self-employed contribute nearly a trillion dollars to our nation's economy every year, but their businesses allow them to successfully provide for their families and play a part in their local communities," said Kristie Arslan, executive director of the National Association for the Self-Employed (NASE).

She added that with a growing number of Americans embracing entrepreneurialism, Washington should be finding ways to support self-employment and help them



"Our nation's smallest businesses are making real contributions to the economy," says Kristie Arslan, NASE executive director. "We think it's time to shake the stereotype that they are sitting at home in their pajamas and bunny slippers all day."

continue to drive the country's economic recovery.

According to Arslan, policy issues that have negative impacts on the self-employed include:

- Continued lack of an optional standard home office tax deduction that would allow millions of self-employed individuals access to tax relief to which they are entitled;
- Exclusion from the small-business health care tax credit in the health reform law if you are self-employed or hire family members in your business.

NASE is the nation's leading resource for the self-employed and micro-businesses, bringing a broad range of benefits to help entrepreneurs succeed and to drive the continued growth of this vital segment of the American economy.

To learn more, visit the association's website at www.NASE.org, Quick Links: Bunny.