



August 2, 2006

The Honorable Bill Frist  
Majority Leader, United States Senate  
Washington DC 20515

**RE: Support the Estate Tax and Extension of Tax Relief Act of 2006**

Dear Leader Frist:

On behalf of the Board of Directors of The Latino Coalition, we urge you to support bipartisan legislation to offer a permanent reduction of the Federal estate tax, also known as the “death tax,” which adversely affects the growth and prosperity of America’s nearly two million Hispanic-owned small businesses. Together, these businesses employ over 3.5 million Americans and generate more than \$200 billion in gross receipts annually.

Contrary to the notion that the “death tax” will only affect wealthy taxpayers, the truth is that small, family-owned, women-owned and minority-owned businesses are often among the hardest hit by this debilitating and unfair tax. In the case of Hispanic-owned small businesses, the impact is particularly destructive since the preservation of family wealth is critical if we are to provide economic stability for the next generation of Hispanic families.

There are over 1.4 million Hispanic-owned small businesses across the U.S., employing a total of 3.5 million American workers. These hard-working entrepreneurs, their employees and families are the ones hit the hardest by this burdensome tax. The largest companies and the very wealthy have the resources to find ways to protect themselves against this tax, through creative and expensive financial advisors. An overwhelming majority of the Hispanic-owned enterprises in this country are family-owned sole-proprietorships which in most cases are affected by this burdensome tax, but do not have the cash flow to spend on extensive financial planning services and massive insurance protection. The sunset provision effectively leaves these family-owned businesses in limbo. Unless you spend a significant amount of money in financial advisors and accountants, you cannot plan for this. That’s why the permanent repeal is so important to small and family-owned businesses.

Millions of Hispanics have been able to achieve the American Dream and now own their own small businesses. The death tax is a major obstacle for parents who want to pass on their businesses to their children. It prevents children from building on the hard work of their parents. The death tax is inherently unfair, and is an unwarranted burden on all small business owners.

**Congress must act now and pass permanent reduction of the estate tax, which is included in The Estate Tax and Extension of Tax Relief Act of 2006, HR 5970!**

**Please help make our small businesses a priority and vote YES on HR 5970.**

Sincerely,

Robert de Posada  
President