



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

November 15, 2023

The Honorable Mike Johnson
U.S. House of Representatives
568 Cannon House Office Building
Washington, DC 20515

Dear Speaker Johnson:

It is my understanding that with the Continuing Resolution (CR) bill that passed yesterday, there were no policy advances secured. To avoid a shutdown, you bought time and I'm hopeful you will start working on a more conservative budget package. After the holidays, the Internal Revenue Service (IRS) has made clear that consumers will be taxed if they make a transaction over \$600 on a third-party payment platform, such as PayPal, Venmo or Cash App. This new reporting requirement should be front and center in your budget negotiations. There is still time to deliver to your constituents and force the IRS to delay their collection of taxes from cash-apps. This collection was supposed to start this year, but the IRS deferred collections for another year because the technology wasn't ready.

This action by the IRS will target Florida. According to The Coalition for 1099-K Fairness, over half a million Floridians will receive one 1099-K form which is a 1,844 percent increase. This will hit small businesses, parents selling kid's clothing, church bake sales, and on, and on. Moreover, the IRS has told these Big Tech companies to overreport as to avoid penalties. This is going to be a total disaster, and no one is ready for it. We have to buy time to undo this travesty. Let's also keep in mind, these tax forms will hit Florida families while *everything* is more expensive due to inflation. Bidenomics has drained the bank accounts of hardworking Floridians, as well as retirees on fixed incomes, and the IRS is getting ready to kick people while they're down.

This massive policy change will catch most Americans off guard and there are still so many questions and concerns that remain about this new reporting requirement before this huge transition takes place after the first of the year. Our small business owners need clarity and Congress needs more time to figure it out. That is why I'm urging you to delay implementation and stop the IRS from issuing 1099s through these third-party cash apps. Standing up for Americans and fighting federal bureaucrats is something we both have in common, and we must do better.

Thank you for your attention to this matter and congratulations on your Speakership. I look forward to working with you in the future and my office stands ready to assist in any way that we can.

Sincerely,

A handwritten signature in blue ink that reads "Jimmy Patronis".

Jimmy Patronis
Chief Financial Officer