

July 28, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Richard Neal
Chairman, Committee on Ways & Means
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Charles Grassley
Chairman, Committee on Finance
U.S. Senate
Washington, D.C. 20510

The Honorable Kevin Brady
Ranking Member, Committee on Ways & Means
U. S. House of Representatives
Washington, D.C. 20515

The Honorable Ron Wyden
Ranking Member, Committee on Finance
U.S. Senate
Washington, D.C. 20510

Dear Majority Leader McConnell, Speaker Pelosi, Minority Leader Schumer, Minority Leader McCarthy, Chairman Neal, Chairman Grassley, Ranking Member Brady, and Ranking Member Wyden:

The undersigned organizations are state and national chiropractic trade associations representing chiropractic physicians and chiropractors in various states across the nation. As health care providers, many of our members qualified for and received funds through the Public Health and Social Services Emergency Fund (PHSSEF or Provider Relief Fund) intended as financial relief for expenses or lost revenue that occurred as a result of the COVID-19 pandemic. We join in urging Congress to take action to correct the IRS' recently published interpretation that payments from the fund are includable in gross income and that our members must, therefore, pay tax on the payments.

We understand that tax-exempt health care providers, which include some large hospitals and clinics, are not subject to taxation of their PHSSEF funds. Most of our members are either owners or employees of essential small businesses that have remained open under demanding conditions to serve the needs of their patients. These practices serve a particularly important role in the safe treatment of chronic pain during a pandemic when many patients fear going to a hospital, and as a conservative option for patients at risk of Opioid Use Disorder (OUD) during the ongoing opioid crisis. As have other health care providers during this crisis, many of our members' offices have suffered significant financial hardship due to stay-in-place orders, elective health care service restrictions, and other pandemic consequences.

We do not believe Congress intended for these essential small health care businesses to be required to repay a percentage of these funds in federal income taxes, particularly when large, nonprofit hospitals and clinics are exempt. We understand that Congress is currently addressing the issue of taxation of expenses attributable to the Payment Protection Program forgiveness.

We respectfully ask that Congress take similar action regarding PHSSEF relief payments by: 1) clarifying that PHSSEF funds are exempt from federal taxation; and 2) maintaining the tax deductibility of any expenses attributable to the PHSSEF funds. Both of these provisions are necessary to ensure that all qualified health care providers receive the full amount of help that Congress intended.

Sincerely,

Alaska Chiropractic Society
Arkansas Chiropractic Physicians Association
California Chiropractic Association
Carolina Chiropractors
Colorado Chiropractic Association
Congress of Chiropractic State Associations
Connecticut Chiropractic Association
Connecticut Chiropractic Council
Florida Chiropractic Association
Georgia Chiropractic Association
Hawaii State Chiropractic Association
Idaho Association of Chiropractic Physicians
Illinois Chiropractic Society
Indiana State Chiropractic Association
International Chiropractors Association of Indiana
Iowa Chiropractic Society
Kansas Chiropractic Association
Kentucky Association of Chiropractors
Maine Chiropractic Association
Maryland Chiropractic Association
Michigan Association of Chiropractors
Minnesota Chiropractic Association
Nebraska Chiropractic Physicians Association
New York Chiropractic Council
New York State Chiropractic Association
North Carolina Chiropractic Association
North Dakota Chiropractic Association
Ohio State Chiropractic Association
Pennsylvania Chiropractic Association
South Dakota Chiropractors Association
Tennessee Chiropractic Association
Texas Chiropractic Association
Unified Virginia Chiropractic Association
Utah Chiropractic Physicians Association
Vermont Chiropractic Association
Washington State Chiropractic Association
Wisconsin Chiropractic Association