MEDIA RELEASE

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Tiger-Consulting CEO Explains Why "Buffett Rule" is Wrong for Small Businesses, Economic Recovery; Enterprise HR / Payroll Expert, Small Business Owner and American Tax Payer Outlines for Multi-Billionaires How They Can Join a Higher Tax Bracket Than Their "Secretaries"

San Diego CA, May 31, 2012 – Neil Satterwhite, Founder and CEO of Tiger-Consulting, an American-managed HR, Payroll and Business Services Outsource Firm specializing in helping global enterprises to successfully expand and do business in the Asia marketplace, outlined today why the so-called Buffett Rule is wrong for American small businesses, jobs and economic recovery. Proposed in 2011 by U.S. President, Barack Obama, the Buffett Rule is a tax plan that would apply a minimum tax rate of 30 percent on Americans making more than one million dollars a year. The plan is named after American multi-billionaire businessman, Warren Buffett, who is against wealthy people such as himself paying less in federal taxes (as a portion of income) than the middle-class. To support his theory in early 2011, Buffett famously said his "secretary" is in a higher tax bracket than he is, which led to an outcry over the unfairness of the U.S. tax system. Obama has widely coined the secretary example to gain support of his administration's proposed Buffett Rule tax plan. With over forty years in enterprise payroll and tax processing, Satterwhite contends that the current U.S. tax tables work and there is no reason to adjust the capital gains tax rules in order to compensate for a payroll tax issue. He says that such short-sided ideas may hurt the economy rather than help it. Satterwhite outlines how some high net worth business owners have come to be in a lower tax bracket than their executive assistants. He advises them to join their own companies as employees and pay themselves a higher salary than their "secretaries".

"Have you ever seen your taxes go down as your salary went up? The Buffett Rule example where billionaires pay less tax than their secretaries is based on the false assumption that they are both paying payroll taxes. The emperor has no clothes. Somebody needs to say it. Any billionaire who wants to pay more taxes than his executive assistant can simply hire himself as an employee at a higher salary than his executive assistant," said Tiger-Consulting Founder & CEO, Neil Satterwhite.

According to Tiger-Consulting, U.S. tax tables are based on a percentage of salary. Satterwhite says that while individual circumstances vary from person to person, family to family, the root of the U.S. system is the more you make the more you pay. Simply put: the higher the salary, the higher the tax. The current U.S. tax tables are:

- .10% on taxable income from $0 to $8,700, plus
- .15% on taxable income over $8,700 to $35,350, plus
- .25% on taxable income over $35,350 to $85,650, plus
- .28% on taxable income over $85,650 to $178,650, plus
- .33% on taxable income over $178,650 to $388,350, plus
- .35% on taxable income over $388,350

"Billionaires who are paying taxes through capital gains reporting have a tax percentage ceiling which is lower than the payroll tax percentage ceiling. This is partially because one can also experience capital 'losses' while employees don't experience payroll losses. Capital gains laws didn't happen overnight. They are an integral part of our entrepreneurial spirit, encouraging people to take risk in order to drive innovation and foster economic growth, which is what made America great," said Satterwhite.

According to the U.S. Small Business Administration (http://web.sba.gov/faqs), small businesses (defined by The Office of Advocacy as independent businesses with fewer than 500 employees), represent:

- 99.7 percent of all employer firms
- Employ half of all private sector employees
- Pay 44 percent of total U.S. private payroll
- Are 52 percent home-based and 2 percent franchises
- Produce 13 times more patents per employee than large patenting firms

"Given those stats, you have to ask yourself what would happen if the nation's small business owners making $1M+ annually had to pay a minimum of 30 percent tax. How is the Buffett Rule going to help existing small businesses get back on track in a still-struggling economy, let alone hire and grow? How will it inspire new innovation and entrepreneurial endeavors? As a small business owner and American tax payer, I am alarmed by this over-simplified tax theory. While based in good intentions, the potential for harm to the economy is high," said Satterwhite.

Last month, Senate Republicans blocked a move to open debate on the Obama Administration's Buffett Rule. A week later, the House approved the Cantor Bill proposed by House Majority Leader, Eric Cantor, which offers a 20 percent tax cut this year to small businesses with less than 500 employees. Cantor says that while the Buffett Rule would raise taxes on "job creators," his bill will promote job growth by easing the tax burden on small businesses. It is widely predicted that the Cantor Bill will be vetoed by the White House and Senate Democrats will continue to revisit the Buffett Rule legislation until open debates can move forward.

About Tiger-Consulting.net

Founded by an American Expatriate with more than 40 years of HR and payroll management experience (the last 22 years based in Asia), Tiger-Consulting is committed to making expansion and management of satellite operations in Asia easier for international businesses. The HR, Payroll and Employment Outsource Firm now supports business operations for 100+ enterprise clients across 12 Asia-Pacific countries including Australia, Cambodia, China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand and Vietnam. www.tiger-consulting.net

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