

Microcap Companies Look Forward to Recommended Tax Reforms Lobby Groups to Push for Tax Code Changes at Upcoming Board Meeting

WASHINGTON, D.C. (Nov. 21, 2005) – In response to the recommendations of the President’s Advisory Panel on Federal Tax Reform, members of the Microcap Company Political Action Committee (MCPAC) and the National Small Public Company Leadership Council welcome the Panel’s focus on simplicity and fairness in recognizing the vast differences in tax burdens for small businesses and large corporations. The urgency of pushing for reforms of the tax code to help small emerging growth companies get access to capital will be among the top issues on the table during the upcoming Advisory Board meeting of MCPAC and the Leadership Council to be held at the National Press Club in Washington, D.C. on December 5.

“The Panel has taken a big step toward simplifying the current system to make it more efficient and less burdensome for microcap and small public companies,” said Frank Speight, Chairman of MCPAC and the Leadership Council, based in West Palm Beach, Fla. and Washington. In view of the growth plan, which would tax interest, dividends and capital gains at a 15 percent rate, and the simplified plan, which would exclude 100 percent of dividend income from U.S. firms and 75 percent of capital gains from the stock sales of U.S. firms, Speight said: “One of the biggest obstacles that start-up or small emerging growth companies face is access to capital. Capital gains taxes are direct levies on risk taking, or the sources of growth in the economy. And high capital gains taxes restrict access to capital and help to either restrain or redirect risk taking.”

Speight pointed out the plan also offers a number of features that would strengthen economic growth, such as capital investment incentives like simplifying the depreciation burden faced by businesses that would ease tax compliance, thus saving businesses time and money. Even better would be allowing small businesses to immediately expense all capital investments.

“MCPAC and the Leadership Council look forward to working with the Administration and Congress to implement meaningful tax reforms that will be beneficial to small emerging growth companies so they can concentrate on what they do best – running their businesses,” said Speight.

About Microcap Company Political Action Committee (MCPAC)

Microcap Company Political Action Committee (MCPAC) was formed in April 2005 as the first advocacy group representing the interests of the nation’s microcap publicly-traded companies to securities regulators and policy makers in Washington. Please visit our website: www.microcappac.org

About National Small Public Company Leadership Council

The National Small Public Company Leadership Council, which was formed in 2000, seeks to educate and inform the White house, U.S. congress, federal agencies, industry trade groups and political organizations based in Washington about the economic contributions of the nation’s entrepreneurial public companies. Please visit our website: www.nspclc.com.

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