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January 22, 2025

The Honorable Donald J. Trump  
President of the United States  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear Mr. President:

On behalf of the National Association of Professional Employer Organizations (NAPEO) and our members, I am pleased to offer our congratulations on your inauguration as the 47<sup>th</sup> President of the United States. As you begin your second term in office, we look forward to working with you to make American businesses and workers stronger and more successful than ever.

We share your belief that American businesses have been bogged down by inefficiencies driven by over-reaching and redundant government regulations that have stifled business growth, opportunity and success. NAPEO members know this firsthand. The 500+ professional employer organizations (PEOs) in the U.S. provide payroll, benefits, regulatory compliance assistance and HR services to more than 200,000 businesses employing 4.5 million people. Over the last four years, we have watched PEO clients struggle under crippling inflation, soaring interest rates and overwhelming bureaucracy.

I am writing to highlight several shared priorities that, with your leadership, would create a policy and business environment that boosts the ability of small businesses to succeed and removes obstacles to economic growth and prosperity for Americans and their communities.

**Retire the Fax Machine:** Today's IRS still uses fax machines to send and receive sensitive information needed to process payroll taxes. We needn't look further for a shining example of government inefficiency. This cumbersome, antiquated process also raises cybersecurity and data privacy concerns. Our government should utilize the very best of 21<sup>st</sup> century American innovation and technology to modernize this system, allow more secure and trackable transmissions, and retire the fax machine for the immediate benefit of American taxpayers. We applaud your Executive Order on the structure and focus of the Department of Government Efficiency and welcome the opportunity to assist you in your efforts to modernize government operations.

**Put Money Back in Workers' Pockets:** At the IRS, the current confusing and often conflicting regulatory environment has slowed the processing of valid small business tax credits authorized under your leadership in 2020. Unfortunately, in the last four years the program has been almost completely hobbled by government mismanagement and

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inefficiency. By reducing the regulatory burden and clarifying liability for those requesting and benefiting from these credits, you can finally fulfill the promises made to frustrated American businesses that played by the rules and have been waiting for years for tax credits they earned and desperately need. It's time to help them put money back in their workers' pockets.

NAPEO and its nearly 450 members stand ready to work with you and your team on these and other crucial policy matters. We're optimistic that under your leadership a new era of American prosperity will begin, and we're excited to be a part of it.

Sincerely,

A handwritten signature in blue ink, appearing to read "Casey M. Clark". The signature is fluid and cursive, with a long horizontal stroke at the end.

Casey M. Clark  
President & CEO  
The National Association of Professional Employer Organizations

Cc:  
The Honorable Billy Long, IRS Commissioner-Nominee