



## DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO

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November 22, 2021

Re: S. 2872/H.R. 4750, the Performing Artist Tax Parity Act

Dear Senators and Representatives,

On behalf of the 24 national unions in the Department for Professional Employees, AFL-CIO (DPE), I strongly urge you to co-sponsor S. 2872/H.R. 4750, the Performing Artist Tax Parity Act (PATPA), and vote for the bill on the floor. Introduced by Sens. Mark Warner (D-VA) and Bill Hagerty (R-TN) in the Senate and Reps. Judy Chu (D-CA) and Vern Buchanan (R-FL) in the House, this bipartisan legislation would update the Qualified Performing Artist (QPA) deduction to correct an unintended consequence of the 2017 Tax Cuts and Jobs Act that has caused a drastic tax increase for middle class creative professionals.

Actors, stage managers, dancers, musicians, cinematographers, and many other creative professionals spend 20 to 30 percent of their income on necessary expenses to secure and maintain employment, including travel to auditions, talent agents, and camera equipment. Prior to the 2017 Tax Cuts and Jobs Act, these creators could claim miscellaneous itemized deductions for these business expenses. Without the ability to deduct these expenses, middle class creative professionals have experienced significant tax increases and struggled to make ends meet even before the COVID-19 pandemic shut down nearly all of the arts and entertainment industries.

PATPA would restore tax fairness for middle class creative professionals by updating the eligibility threshold for the QPA deduction. QPA is a provision of the tax law that allows certain performing artists the option to take an “above the line” deduction for expenses incurred in the course of their employment. Currently the adjusted gross income threshold for the QPA deduction is \$16,000, a level unchanged since QPA’s inception in 1986. PATPA would raise the threshold to \$100,000 for single taxpayers and \$200,000 for joint filers, and also add a built-in phase out to help transition the taxpayer out of the deduction.

The ability to claim the QPA deduction would have a meaningful impact on the lives of union creative professionals and their families. According to information from the Volunteer Income Tax Assistance (VITA) program, a Pennsylvania sound engineer would realize a tax savings of over \$4,500 under PATPA. A Nevada actor would pay \$1,500 less in taxes. A New York musician would save \$3,000. This is money that these middle class professionals can put toward the next month’s rent, putting food on the table, and contributing to their local economies.

If you have any questions, please contact DPE Assistant to the President/Legislative Director Michael Wasser at [mwasser@dpeaflcio.org](mailto:mwasser@dpeaflcio.org).

Sincerely,

A handwritten signature in blue ink, appearing to read 'JDorning'.

Jennifer Dorning, President

