



American Institute of CPAs  
1455 Pennsylvania Avenue, NW  
Washington, DC 20004-1081

July 17, 2014

The Honorable Tom Rice  
Chairman  
Subcommittee on Economic Growth, Tax  
and Capital Access  
U.S. House Small Business Committee  
2360 Rayburn House Office Building  
Washington, DC 20515

The Honorable Judy Chu  
Ranking Member  
Subcommittee on Economic Growth, Tax  
and Capital Access  
U.S. House Small Business Committee  
2360 Rayburn House Office Building  
Washington, DC 20515

RE: Hearing on Cash Accounting: A Simpler Method for Small Firms?

Dear Chairman Rice and Ranking Member Chu:

The AICPA respectfully submits the attached written statement for the record of the July 10, 2014 hearing of the Subcommittee on Economic Growth, Tax and Capital Access of the House Committee on Small Business on the cash method of accounting.

The AICPA is the world's largest member association representing the accounting profession, with more than 394,000 members in 128 countries and a 125-year heritage of serving the public interest. Our members advise clients on federal, state and international tax matters, and prepare income and other tax returns for millions of Americans. Our members provide services to individuals, not-for-profit organizations, small and medium-sized business, as well as America's largest businesses.

We welcome the opportunity to further discuss these comments on the cash method of accounting for small businesses or to answer any questions that you may have. I can be reached at (304) 522-2553, or [jporter@portercpa.com](mailto:jporter@portercpa.com); or you may contact Melissa Labant, AICPA Director of Tax Advocacy, at (202) 434-9234, or [mlabant@aicpa.org](mailto:mlabant@aicpa.org).

Sincerely,

Jeffrey A. Porter, CPA  
Chair, AICPA Tax Executive Committee