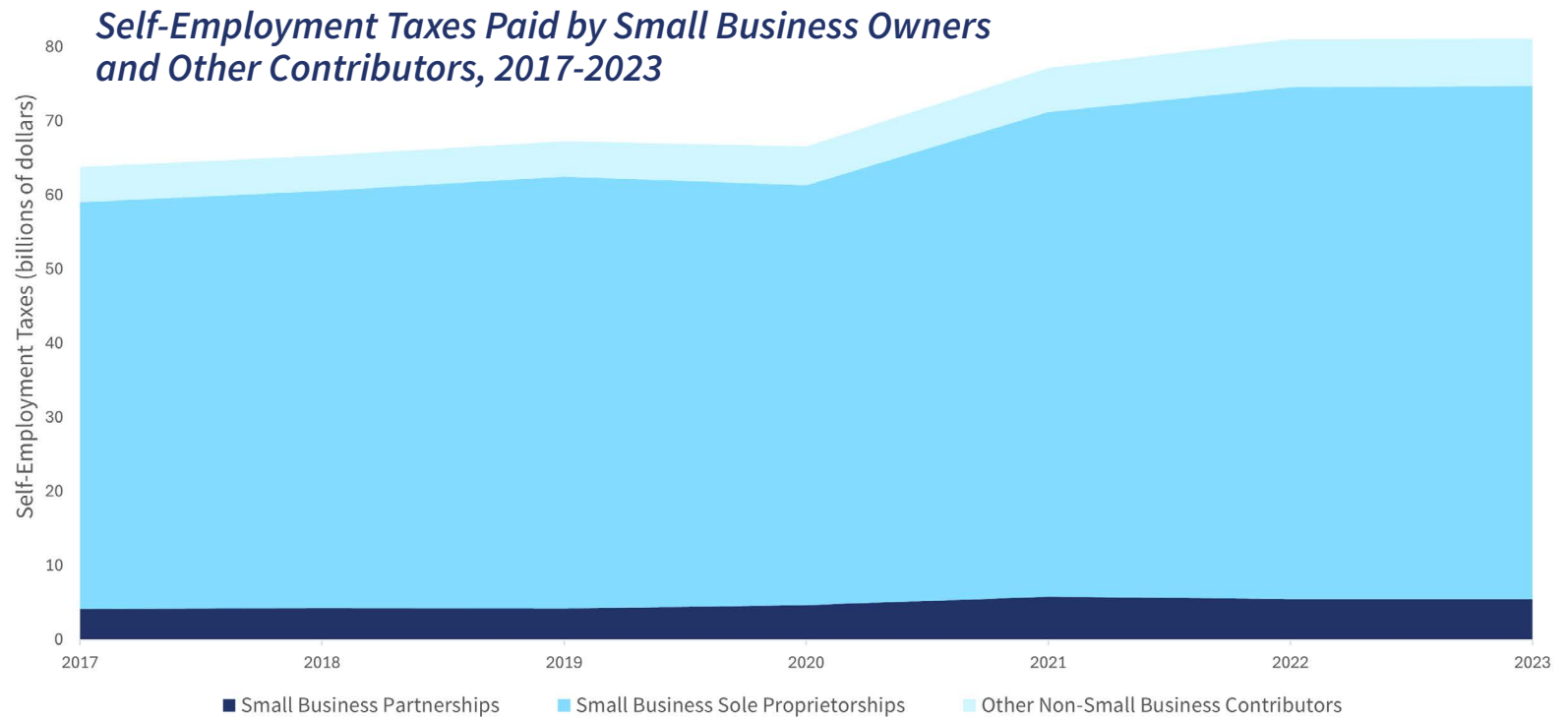




Office of Advocacy
at the U.S. Small
Business Administration

Small Business Owners Foot 92 Percent of the Self-Employment Tax Bill

Self-employment taxes are comprised of Social Security and Medicare taxes. *From 2017 to 2023, small businesses paid approximately 92 percent of self-employment taxes each year.* In 2023, they paid an estimated \$74.7 billion of the \$81.1 billion in total self-employment tax revenue. Of this \$74.7 billion, small business sole proprietorships accounted for \$69.2 billion and small business partnerships for \$5.5 billion. Other non-small business contributors, mainly larger partnerships, paid the remaining share.



SOURCE: Author's calculations using IRS Statistics of Income, Individual Income Tax Returns with Small Business Income and Losses, 2017-2023; includes adjustments to estimate net self-employment income subject to Self-Employment Contributions Act (SECA).