



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

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May 8, 2025

The Honorable Jason Smith
Chairman
House Committee on Ways & Means
Washington, D.C. 20515

The Honorable Richard E. Neal
Ranking Member
House Committee on Ways & Means
Washington, D.C. 20515

Dear Chairman Smith and Ranking Member Neal,

As you consider proposals to exempt tips from federal income taxes, we urge you to ensure that gig economy workers—workers who provide short-term rentals, food delivery, rideshare, and personal services—are included in any such tax relief.

We write to share our experience with the developing gig economy and the future of work in the United States. TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes 100 dynamic American businesses ranging from startups to the most iconic companies on the planet and represents five million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

Gig workers are not just a convenience—they are essential to the American economy. They help with childcare, provide safe transportation, deliver meals and goods to families, and offer personalized services and short-term rentals that support local communities. Gig workers make up more than a third of the American workforce and they deserve tax fairness.

Nearly 60 million Americans participate in the gig economy, using technology platforms to access flexible work and earn income on their own terms. Many rely on customer tips to supplement their income, just like traditional service workers. However, unlike traditional employees, gig workers often shoulder their own business expenses—making these tips even more vital. As Congress considers exempting tips from income taxation, TechNet urges lawmakers not to leave behind gig workers who power the modern service economy.

As Congress works to modernize the tax code to reflect the realities of today's workforce, it must recognize that tipping is no longer confined to restaurants and hotels. The service economy has evolved, and tax relief should include the growing segment of Americans who participate in gig work.

We respectfully urge you to ensure gig workers are treated equitably in any tax reform that seeks to exempt tipped income. Supporting all tipped workers—regardless of how their services are delivered—will help millions of Americans keep more of what they earn, promote fairness, and encourage entrepreneurship.

Sincerely,

A handwritten signature in black ink that reads "Carl Holshouser". The signature is fluid and cursive, with the first name "Carl" being more prominent than the last name "Holshouser".

Carl Holshouser
Executive Vice President

Cc:

The Honorable Mike Crapo, Chairman, Senate Committee on Finance
The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance