



# NEWS

## AMERICANS FOR TAX REFORM

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**FOR IMMEDIATE RELEASE**  
**SEPTEMBER 30, 2004**

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## **American Incomes Continue Strong Growth**

*Solid wage growth, revised consumer spending, indicates healthy third quarter GDP expansion*

**WASHINGTON, D.C.** – U.S. personal incomes grew at a healthy 0.4 percent in August, the Commerce department reported today. Incomes grew 0.2 percent in both June and July. Growth in consumer spending held steady in August and was revised up to 1.1 percent for July.

Today's report indicates that the total economy is growing at a healthy rate. Even if consumer spending is flat in the month of September, Real Gross Domestic Product (GDP), the measure of total economic output, will expand at a rate of over 4 percent in the third quarter. If consumer spending grows in September, which many experts predict, will lead to even greater GDP expansion.

**“The American economy is continuing its long term pattern of healthy, sustained growth,”** said ATR President Grover Norquist. **“President Bush’s tax cuts are allowing hardworking taxpayers and small business to keep more of their to fuel economic growth.”**

If growth for the third quarter of 2004 holds as expected, it will mark the fifth time in the last six quarters that GDP growth has exceeded 4 percent. Year over year growth in the economy currently stands at just under 5 percent.

**“President Bush’s tax cuts are clearly driving the economy to perform,”** concluded Norquist. **“All of he tax cuts should be made permanent so we can continue to see the kind of long term growth we have enjoyed since their enactment.”**