



NEWS

AMERICANS FOR TAX REFORM

1920 L Street, NW • Suite 200 • Washington, DC 20036
202.785.0266 • Fax 202.785.0261

WWW.ATR.ORG

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CONTACT: Jonathan Collegio
Jennifer Forlenza
202-785-0266

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Economy Continues Growing in First Quarter

GDP growth still at sky-high levels despite revisions from past estimates

WASHINGTON – Gross Domestic Product (GDP), the measure of economic growth, increased 3.9 percent in the first quarter. The economy continues to grow well above historical averages of 3.2 percent, despite a downward revision from a preliminary estimate of 4.4 percent growth for the quarter. Even with the revision, the economy is expected to grow a projected 4.7 percent for all of 2004.

Since the Bush tax cut was enacted, GDP has grown by an average of 5.4 percent. During the last 100 days alone, one million jobs have been created and the unemployment rate is falling. May was the ninth consecutive month of job growth, and, since the tax cut, 1.4 million jobs have been created for American workers. As a result, the US economy is growing at its fastest rate in twenty years.

“The GDP numbers reflect a very strong economy fueled by increasing employment, business investment, and shareholder wealth,” said Grover Norquist, President of Americans for Tax Reform in Washington, D.C. **“It’s no coincidence that the economy exploded in the wake of the Bush tax cut that was designed to boost these specific indicators.”**

The tax cut is putting more money in the pockets of individual Americans and businesses from every part of the country. Employment has increased in 44 states, and the unemployment rate has declined in 46. Furthermore, there has been an increase in the core personal consumption expenditure rate, inventory investment, and business spending on equipment and software. All of these factors are ultimately contributing to solid economic indices.

“The economy is back on its feet and its better than ever,” continued Norquist. **“The positive numbers reflect a growing confidence among consumers and businesses fueled by the President’s Jobs and Growth tax relief package. Nothing can stop this progress except the refusal of Democrats to make the tax cuts permanent and John Kerry’s pessimism.”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at jcollegio@atr.org.