



AMERICANS for TAX REFORM

Grover G. Norquist
President

Every April 15th, working Americans struggle to pay their taxes to the IRS.

This November, taxpayers who vote will choose between two different visions of future April 15ths. A vote for Senator McCain is a vote to keep tax rates low and prevent Democrat tax hikes. A vote for either Hillary Clinton or Barack Obama means a tax hike of over \$2000 for the average family.

Which April 15th would *you* rather have?

	Current Law	McCain	Hill-Bama
<i>Top Tax Rate</i>	35%	35%	39.6%
<i>Lowest Tax Rate</i>	10%	10%	15%
<i>Capital Gains Rate</i>	15%	15%	20%
<i>Dividends Rate</i>	15%	15%	39.6%
<i>Death Tax</i>	0% by 2010 (Repealed)	15%/\$10 million ¹	55%/\$1 million
<i>Marriage Penalty</i> ²	None Under \$150,000	None Under \$150,000	Full from Dollar One
<i>Child Tax Credit</i>	\$1000	\$1000	\$500
<i>AMT Rate</i> ³	28%	0% (Repealed)	28%
<i>Self-Employment Rate</i> ⁴	37.9%	37.9%	54.9%
<i>Corporate Income Tax</i> ⁵	35%	25%	35%
<i>Business Infrastructure</i> ⁶	Long and Complex Depreciation	Full Expensing	Long and Complex Depreciation

¹ The first \$5 million (\$10 million for a surviving spouse) of an estate would be death tax-exempt

² The “marriage penalty” refers to a married couple paying a higher amount of combined income tax than if they each filed taxes as single

³ The “alternative minimum tax” (AMT) requires taxpayers to calculate their taxes two ways, and pay whichever method results in a higher tax owed

⁴ Self-employed taxpayers pay both ordinary income tax and self-employment tax (Social Security and Medicare)

⁵ The U.S. corporate income tax is currently the second-highest in the developed world. The average European corporate income tax rate is about 25%

⁶ It takes larger businesses several years to deduct machinery and equipment, even though they purchase the business asset in year one (e.g. a computer must be slowly-deducted over six calendar years)

1920 L Street NW

Suite 200

Washington, DC

20036

T: (202) 785-0266

F: (202) 785-0261

www.atr.org