



AMERICANS *for* TAX REFORM

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FOR IMMEDIATE RELEASE
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AMERICANS FOR TAX REFORM CALLS OBAMA “TAX CALCULATOR” INACCURATE AND MISLEADING

New Obama “tax calculator” a deliberate attempt to deceive voters

WASHINGTON, DC—Americans for Tax Reform today questioned the accuracy of the new tax calculator found on Senator Barack Obama’s (D-Ill.) website.

The calculator has several major errors/misleading statements, including:

- **The forgotten tax hike.** By its own admission, the tax calculator ignores the unprecedented imposition of Social Security payroll taxes on small business profits exceeding \$250,000 (where two-thirds of small business profits exist). *This is despite the fact that Obama told Charlie Gibson on October 8th that he wants to keep the Social Security tax rate “the same” for these small business owners. This would result in a top small business tax rate of 54.9 percent—the highest level since the Carter Administration*
- **Small business tax hike.** It tells those earning \$250,000 or more that, “You will probably not get a tax cut” under an Obama Administration. *Considering the Obama tax hike will result in a marginal tax rate approaching 50 percent on two-thirds of small business profits* (which resides in these households), one might call this a bit of an understatement.
- **Spending, not tax cuts.** Most of the “tax cuts” Obama claims credit for is in fact spending. “Refundable tax credits” means that if you zero out your income tax liability, the government gives you a welfare check. This isn’t an income tax cut—it’s spending. *According to the Tax Foundation, one-third of households don’t have an income tax liability.* It’s impossible to cut their income taxes, despite what this “calculator” says
- **Bait and switch.** Everyone is told that they may be eligible for refundable credits including a college credit, a retirement savings credit, etc. However, *these credits phase out on quite modest levels of income, thus deceiving voters*

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Americans for Tax Reform is an advocacy organization fighting for lower taxes, less government, and more freedom. Learn more about ATR by visiting www.ATR.org

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