



# NEWS

## AMERICANS FOR TAX REFORM

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5 MARCH 2003

## ATR Praises Legislators For AMT Repeal Resolution

*State Legislators introduce resolution calling on members of Congress to repeal the Alternative Minimum Tax*

WASHINGTON – Americans for Tax Reform (ATR), the nation's leading taxpayer advocacy group, fully supports Assembly Resolution 232 introduced by Assemblymen Michael Patrick Carroll (R-25) and Richard Merkt (R-25) calling on New Jersey's members of Congress to fully repeal the federal Alternative Minimum Tax (AMT).

The AMT became law in 1969 after the media spotlighted 155 wealthy Americans who escaped federal income taxes by taking advantage of numerous deductions. But over the past decade, the number of filers paying AMT increased tenfold to 1.3 million people, and the next eight years will witness even more pronounced and explosive growth. Indeed, nearly one out of three tax filers, or an estimated 36 million people, will be subject to the AMT by 2010. For more information see ATR's paper at: <http://www.atr.org/pdffiles/052102pb.pdf>.

Taxpayer advocate Grover Norquist, who heads Americans for Tax Reform (ATR) in Washington, said that the AMT threatens to cancel out any benefit arising from the Bush tax cuts. **"The AMT is a relic from the past, and while President Bush's tax cuts aim to ease the pain of taxes for working families, the AMT will kick in, negating their tax cuts and punishing them for their success,"** said Norquist. **"And with Governor McGreevey raising taxes by more than \$4.6 billion, taxpayers in the Garden State are in real trouble over the next few years."**

The crushing burden of the AMT could have been lightened in the 1990's if Washington policymakers had simply indexed the AMT to inflation, a step the Clinton Administration refused to do. The result was this "soak-the-rich" tax was shifted down onto middle class taxpayers while the truly rich continued to pay their tax lawyers to minimize their obligations. As such, taxpayers in high-income states like New Jersey will face a crushing blow if they decide to deduct their property taxes, college education costs, mortgage interest payments, and their children.

**"Assemblymen Carroll and Merkt have demonstrated a true understanding of the issues facing the taxpayers in the Garden State,"** continued Norquist. **"A time bomb is set to explode in the Garden State – as property taxes continue to rise due to the Governor's inaction, more people will seek to deduct their property tax payments from their gross income, which then forces the onerous AMT burden on nearly every taxpayer in New Jersey. Now is the time to send a message to Senators Corzine and Lautenberg to eliminate this tax that will destroy the state's middle class."**

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