



NEWS

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Death Tax Doomed to Eternal Death

Vote planned to permanently repeal death tax this week in U.S. House of Representatives.

WASHINGTON — Despite the bold move this spring by the U.S. House to make permanent last year's tax relief plan, the U.S. Senate still has not budged, as Senate Majority Leader Tom Daschle (D-S.D.) will not allow a vote on permanent tax relief to hit the Senate floor.

Facing Senate intransigence, tax relief advocates in the U.S. House came up with a new strategy: Break the tax cut bill into its component parts, and pass permanent tax relief one issue at a time, and make pro-tax legislators arbitrarily choose which tax relief they would like to give their constituents.

On Tuesday, the U.S. House passed two permanent tax relief proposals: one to make permanent the adoption tax credit, the second to exempt restitution given to survivors of the Nazi Holocaust. **Today, the House will vote on and likely pass permanent death tax relief.**

Taxpayer advocate Grover Norquist, who heads Americans for Tax Reform (ATR) in Washington, calls the measure "a new model to underscore and translate into public policy the power of public opinion on tax relief bring to bear on even the most stubborn of liberal Democrats."

"The death tax is not only abhorred by 80 percent of the American people," continued Norquist. **"It is the leading cause of the termination of successful small businesses in America. One out of four small businesses will have to go out of business to pay the tax, unless it is permanently repealed before 2011."**

Due to an obscure Senate rule invoked in last year's tax relief legislation, the entire tax plan will expire on 1 January 2011, unless it is made permanent before then. **If not made permanent, marginal tax rates will jump back to 2000 levels, while the once-eliminated death tax marriage penalty will be reinstated, adoption credit and holocaust exemption eliminated, and the previously doubled child credit will return to \$500 from \$1,000 per child.**

"Big government liberals in Congress are now between the rock of popular pressure for tax relief and hard place of being in the pockets of the spending lobbies who want to squander taxpayer money," continued Norquist. "The good news: Taxpayers will win this and all coming battles."

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who support tax simplification and 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 email at jcollegio@atr.org.