



NEWS

AMERICANS FOR TAX REFORM

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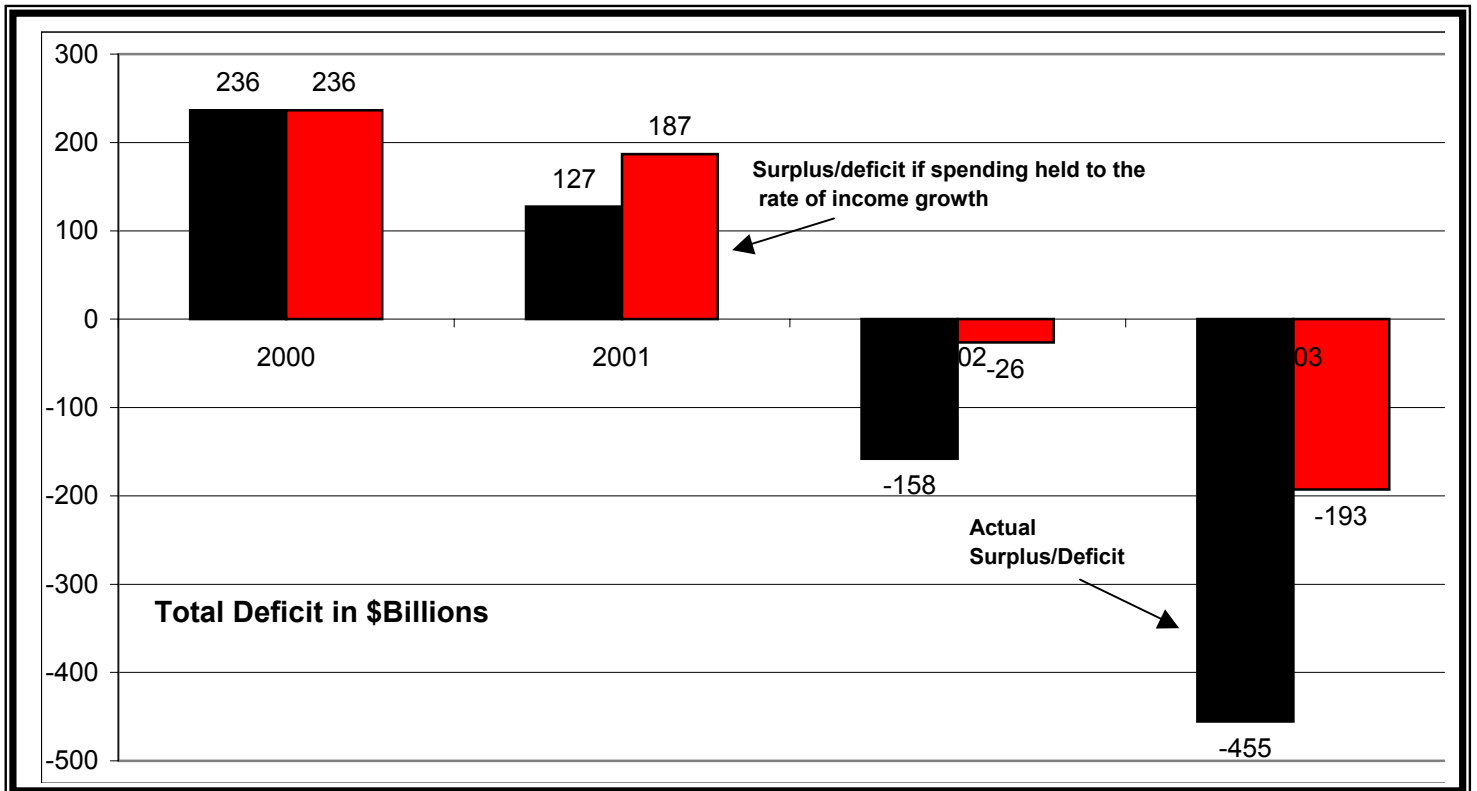
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Spending Fact of the Day #1 Spending Has Caused The Deficit

With today's release of the Mid-Session Review, big government spending members of Congress are screaming that tax cuts have caused deficits. Quite the contrary, spending is the cause for roughly 70 percent of the deficit and a slowdown of capital gains, corporate, and income tax revenues from the recession are roughly responsible for another 10-15 percent of the deficit. Thus, tax cuts have had a negligible effect on the deficit.

In fact, if spending had been held to the rate of national income since 2000, the deficit would be \$193 billion, not \$455 billion. Thus, the deficit would be 2.5 times smaller if fiscal restraint was put in order in 2000. Surpluses will never reemerge if the current spending patterns continue.

OUT OF CONTROL SPENDING LEADS TO DEFICIT



Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases.