

LARSON VOTES FOR DEMOCRATIC PLAN TO CUT MIDDLE CLASS TAXES AND PAY FOR IT BY CLOSING TAX LOOPHOLES

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WASHINGTON, D.C.- U.S. Congressman John B. Larson (CT-1) today voted in favor of a Democratic plan to provide this tax relief to middle income American families without adding to the federal deficit.

If a taxpayer does not pay a certain amount in taxes due to the deductions, exemptions or other benefits they are able to use, they must pay the AMT. Since the AMT limits were never indexed for inflation, each year more and more middle class Americans potentially must pay the AMT. The Democratic plan would have increased and extended the exemptions for many middle-class Americans that will have to pay the AMT if current law is not changed before next year. It eliminates AMT liability for single taxpayers whose income is less than \$125,000 and \$250,000 for married couples. However, the Democratic plan would pay for the tax relief by restricting corporate tax shelters and tax avoidance schemes.

“Middle class Americans deserve tax relief that does not create more debt for our children and grandchildren,” said Larson. “I support extending the exemption, but it should be paid for. The Democratic plan would have cut taxes for people who need it and pay for it by closing loopholes and tax shelters. This is similar to what the Senate passed on a bipartisan basis. This proposal is in stark contrast to the Republican plan that would continue the GOP tradition of passing tax cuts without paying for them, saddling future generations with trillions in debt.”

The Democratic version would also require the Secretary of the Treasury to submit legislative recommendations to the Congress on a permanent fix to the AMT, and it would require the Committee on Ways and Means to act on those recommendations this summer.

The Democratic version failed by a vote of 197 to 228. The GOP version of the legislation passed by a vote of 333 to 89. Larson voted against the Republican plan.

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