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Democrat AMT Failure Hurts Families *RSC Urges Democrats to Repeal Out-of-Control AMT*

WASHINGTON, D.C. – Congressman Jeb Hensarling (R-TX), Chairman of the Republican Study Committee, called the failure of Speaker Pelosi and the Democrat Leadership to act to prevent the Alternative Minimum Tax (AMT) from increasing taxes on up to 25 million taxpayers a “*complete embarrassment and a slap in the face to American families.*” Earlier today, Senate Majority Leader Harry Reid (D-NV) announced that Democrats would delay final action on an AMT patch until after the Thanksgiving holiday.

RSC Chairman Hensarling issued the following statement:

“The failure of Nancy Pelosi, Steny Hoyer and Rahm Emanuel to address the out-of-control AMT is a complete embarrassment and a slap in the face to American families. The Democrats’ failure will cause the tax refund checks that so many families across America depend on to be delayed.

“It is shameful that it is 306 days into the calendar year and Democrats could not find a single day to help taxpayers and families facing the AMT. Should Democrats continue to neglect their responsibility, 25 million Americans will face a substantial tax increase. The AMT was never intended to be forced upon middle-class American families, and our priority is to ensure that it never will.

“Democrats say that AMT repeal must be revenue neutral, and our repeal is neutral – to the taxpayer. Republicans are trying to prevent a massive tax increase and that is the crux of the debate – we side with the taxpayer and Democrats side with the government. Republicans disagree with the premise that taxpayers must be forced to pay more to repeal a bad policy. We disagree with Democrats in the House who want to pick and choose certain groups of taxpayers to be penalized for Washington’s mistake.

“That is why the Republican Study Committee has introduced the Taxpayer Choice Act, which will fully repeal the AMT while providing taxpayers the choice and opportunity to become part of a 21st Century tax system that is fair, simple, efficient and, above all, accountable.”

The Republican Study Committee has introduced *The Taxpayer Choice Act*, a comprehensive, individual income tax reform initiative with two principal goals:

1. eliminating massive future tax increases by repealing the Alternative Minimum Tax; and;
2. providing individuals a choice for an alternative tax system that is transparent, simple and efficient.

The AMT was created in 1969 by Congress to target 155 people who were eligible for tax benefits that resulted in their paying little or *no* federal income tax. Today, the "tax-the-rich" policy intended to penalize 155 people has spiraled so out of control that, if ignored in the next few months, it will hit 25 *million* hard-working middle class American families. In 1999, the GOP-controlled Congress passed a full repeal of the AMT, which President Bill Clinton swiftly vetoed.

Unlike any other AMT reforms offered to date, the RSC plan will not increase taxes for ANY American and will retain a fair and equitable distribution of federal tax burdens. The RSC plan offers a choice: taxpayers can choose the new system or stay with the current tax code. They have the freedom to select the option that best suits *their* particular circumstances.

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The Republican Study Committee consists of over 100 conservative Republican members of the House of Representatives.