



For Immediate Release
November 16, 2007

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**ALTERNATIVE MINIMUM TAX RELIEF FOR MILLIONS
BLOCKED BY OBJECTION IN SENATE**

*Baucus says there should be no further delays on efforts to “patch” AMT,
extend college tuition deduction and other expiring provisions*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) expressed disappointment today at an objection by the Senate Minority Leader to consideration of legislation that would protect 19 million Americans from the alternative minimum tax (AMT). The AMT was created in 1969 to keep wealthy people from avoiding taxes altogether, but has started to hit working families instead. On Thursday, Senate Majority Leader Harry Reid (D-Nev.) asked unanimous consent for a series of votes that would allow the Senate to increase the exemptions taxpayers can claim to avoid paying the AMT in 2007, which would prevent the “stealth tax” from applying to anyone who didn’t pay it last year. The Senate would have considered H.R. 3996, a fully paid-for bill with AMT relief, first. Baucus was also prepared to offer an amendment with one year of AMT relief and two years of extensions for expiring tax provisions, with the “extender” provisions fully offset. From Chairman Baucus:

“Protecting working families from the alternative minimum tax is my number-one tax priority this year. The amendment I was prepared to offer would keep millions of Americans from falling victim this year to a tax they were never meant to pay. I’m disappointed that the Senate was not able to consider this legislation before the Thanksgiving recess. Time is of the essence, and we need to act quickly to protect taxpayers from the AMT in 2007.

“Some wanted the opportunity to further amend this tax legislation, but we don’t need further amendments to accomplish the task at hand. I helped write the 2001 tax cuts, and I want to see them extended. But we need to do first things first, and that means passing an AMT ‘patch’ and extensions of expiring provisions that American families need renewed now – like the college tuition deduction, the state and local sales tax deduction, and the research and development tax credit.

“I intend to hold an aggressive series of hearings in the Finance Committee next year on comprehensive tax reform. Right now, Congress needs to get the job done on AMT. Millions of American families are waiting to see whether we’ll protect them from this stealth tax. The IRS needs information to communicate to taxpayers as soon as possible. This objection unfortunately will delay Congress’s work for American taxpayers. But as soon as possible, I intend to pass bipartisan legislation that will keep more Americans from paying the alternative minimum tax for 2007.”

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