



BUDGET COMMITTEE



Judd Gregg, Ranking Member
<http://budget.senate.gov/republican>

Contact: Betsy Holahan (202)224-6011
Jeff Turcotte (202)224-2574

For Immediate Release

May 9, 2007

Republicans Offer Budget Conferees Blueprint to Protect the Economy ***Tax-and-Spend Budget Poses Threat to Strong Economy***

Senate Budget Committee Ranking Member Judd Gregg joined Senators Jon Kyl (R-AZ), and John Cornyn (R-TX) today in offering non-binding instructions, called motions to instruct, to the yet-to-be-appointed Senate conferees of the FY 2008 Budget Resolution Conference. Senate conferees will be appointed this week.

“The majority party in the Senate and the House passed classic tax-and-spend budgets that, left unchanged, will be very harmful to the economy,” said Senator Gregg. “By not extending past 2010 existing tax policies that have worked to grow the economy, Democrats raise taxes by more than \$700 billion in the Senate version and by \$900 billion in the House version over the next five years. That would be the largest tax increase since Americans were asked to sacrifice so much to finance World War II.”

“As conferees craft a budget conference report, they should recommend a budget that allows for the extension of existing tax policies that have resulted in five consecutive years of economic growth, nearly 8 million new jobs and record tax revenue,” said Senator Gregg. “These motions to instruct provide a blueprint for how the budget resolution can better protect the economy, and the millions of hard-working families and businesses behind it.”

“The budget conference report should include my point of order, which puts a safeguard in place that will help protect the pocketbooks of American taxpayers, including middle-class families, college students and entrepreneurs,” said Senator Cornyn. “The last thing we should do is pull the rug from under the feet America’s small businesses, and roll back the tax relief that passed in 2001 and 2003.”

Motions to Instruct Conferees on the FY 2008 Budget Resolution
Offered by Senators Gregg, Kyl and Cornyn

Motion to Instruct Conferees on Extension of Popular Tax Cuts – Offered by Senator Gregg

Conferees instructed that conference report should “reject the House amendment that assumes a \$916 billion tax increase, the largest tax increase in U.S. history, and insist that the final conference report include in the recommend levels and amounts in Title I of S. Con. Res. 21, reductions in revenues commensurate with extending the existing tax policy:

- \$1,000 child tax credit
- marriage penalty relief
- 10% income tax bracket – so those earning \$15,000 or less continue to benefit from low tax rate
- lower marginal rates for American families and small businesses (15%, 25%, 28%, 33%, and 35%)
- Earned Income Tax Credit relief for military families
- adoption tax credit
- dependent care tax credit
- college tuition deduction
- deduction for student loan interest
- \$2,000 Coverdell Ed. IRA
- 15% rate on capital gains and dividends
- death tax repeal.”

Motion to Instruct Conferees on Extension of Death Tax Relief and Other Family Tax Relief – Offered by Senator Kyl

Conferees instructed that conference report should “include the Senate position to provide for a reduction in revenues, sufficient to accommodate legislation to provide for permanent death tax relief, with a top marginal rate of no higher than 35%, a lower rate for smaller estates, and with a meaningful exemption that shields smaller estates from having to file estate tax returns, and to permanently extend other family tax relief, so that American families, including farmers and small business owners, can continue to enjoy higher after-tax levels of income, increasing standards of living, and a growing economy, as contained in the recommended levels and amounts of Title I of S. Con. Res. 21, as passed by the Senate.”

Motion to Instruct Conferees on Point of Order Against Legislation that Raises Income Taxes – Offered by Senator Cornyn

Conferees instructed that conference report should “include the supermajority point of order against consideration of any bill, resolution, amendment, amendment between Houses, motion, or conference report that includes a Federal income tax rate increase, in order to protect the pocketbooks of working and middle-class families, college students, seniors, farmers, small business owners and entrepreneurs, and to promote the elimination of government waste, fraud, and abuse to reduce the deficit and offset new spending, as contained in section 210 of S. Con. Res. 21, as passed by the Senate.”