



7-21-05

Chairman Chuck Grassley and Ranking Member Max Baucus:
Additional Statement on Introduction of Tax Technical Corrections Act of 2005

Mr. President, Today we are pleased to introduce the Tax Technical Corrections Act of 2005.

Technical corrections measures are routine for major tax acts, and are necessary to ensure that the provisions of the acts are working consistently with the originally enacted provisions, or to provide clerical corrections. Because these measures carry out Congressional intent, no revenue gain or loss is scored from them.

Technical corrections are derived from a deliberative and consultative process among the Congressional and Administration tax staffs. That means the Republican and Democratic staffs of the House Ways and Means and Senate Finance Committees are involved as is the Treasury Department staff. All of this work is performed with the participation and guidance of the non-partisan Joint Committee on Taxation staff. A technical enters the list only if all staffs agree it is appropriate.

The process and test for technical corrections ensures that only provisions narrowly drawn to carry out Congressional intent are included.

Unfortunately, some press reports have distorted the technical corrections bill. These reports unfairly characterize this technical corrections bill as a re-opening of substantive tax policy of settled tax legislation.

While it is true that interested parties are heard on purported technical corrections, only measures that all staffs agree are purely technical are included in the bill. Clarifications or substantive changes to provisions are not considered technical corrections. This is an important distinction that the press reports unfortunately did not make.