NEWS from U.S. Congressman

★ Pete Sessions ★

32nd District of Texas

National Security * Economic Security * Homeland Security

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Sessions Introduces Constitutional Amendment Making it Harder to Raise Taxes

As National Leader on Tax Debate, Dallas Area Lawmaker Authors Legislation Requiring 2/3 Supermajority Vote to Pass Tax Increases

Washington, DC – U.S. Congressman Pete Sessions (R-Dallas) today introduced H.J.Res 50, The Tax Limitation Amendment of 2003. The Tax Limitation Amendment (TLA) is a Constitutional amendment that requires a supermajority in order to raise taxes. This would make it harder for Congress to raise taxes on the American people.

"If a tax increase were truly a good idea, certainly 2/3 of the Congress could agree on it," he continued. "This legislation simply makes it harder for Congress to raise taxes on the American people. Members of Congress who work for the taxpayer will vote for this amendment," Sessions continued. "Members of Congress who work for the tax collector and the IRS will vote against it."

The Constitutional amendment states that any bill, resolution, or other legislative measure changing the internal revenue laws will require for final adoption in each House the concurrence of two-thirds of the Members of that House voting and present, unless the bill is determined at the time of adoption, in a reasonable manner prescribed by law, not to increase the internal revenue. Congress may waive the 2/3 requirement when a declaration of war is in effect.

"The U.S. Constitution enumerates many occasions when a supermajority – not just a simple majority – is required to change the law, and Congress should add the ability to raise taxes to this list," said Sessions.

Eleven states, including California and Arizona have adopted measures requiring any tax increase by the legislature to pass by a two-thirds vote in both houses. Such a measure is needed on the federal level. **The four largest federal tax increases since 1980 – in 1982, 1983, 1990 and 1993 – would all have failed if this amendment had been passed.**

"When the Federal Government has deficits, runaway spending is the true culprit," said Sessions. "This bill would force Congress to make responsible spending decisions, rather than increasing the tax burden on hard-working Americans."

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Key points on the Tax Limitation Amendment:

- A 2/3 "supermajority" standard is reserved for the most important of issues, including amending the Constitution, impeaching the President, and ratifying international treaties. The same standard of importance should be used when deciding to take more money from the American people.

- The four largest tax increases since 1980- in 1982, 1987, 1990 and the largest ever in 1993 all would have failed if a 2/3 supermajority had been required. *Mitchell, D (1996) "Why a Supermajority Would Protect Taxpayers." Heritage Foundation F.Y.I. Washington, D.C.: Heritage Foundation.*

- Taxes were higher in 2000 than they had ever been before. According to the Congressional Budget Office, total revenues in the year 2001, as a percentage of GDP, were second only to 1944 - the height of the war effort. If the 2001 tax relief is not made permanent and sunsets in 2011, taxes will return to 1944 levels.

- The tax cuts adopted under President Bush have stopped the increasing tax burden experienced over the last decade. Even with the Bush tax cuts, federal taxes still consume 21.5% of national income, well above the historical range of 18–20% since World War II. *Congressional Budget Office, National Income Product Accounts*

- States that have passed tax limitation amendments show greater economic growth and better job creation. An analysis of the nine states that have had tax limitation mechanisms in place since 1993 shows a very clear trend. Economic growth (as measured by per capita gross state product) was 10% higher in states with tax limitation, as compared to all other states. Similarly, job growth was 20% higher in TLA states than in all other states over the same period. *Mitchell, D (1996) "Why a Supermajority Would Protect Taxpayers." Heritage Foundation F.Y.I. Washington, D.C.: Heritage Foundation.*

- Strict supermajority limits have reduced the likelihood of tax increases. Six states with supermajority requirements only increased taxes in 5.7% of all fiscal years. In comparison, states without strict supermajority limits enacted tax increases in 29.0% of all fiscal years. This difference is statistically significant. *Michael New, Supermajority Requirements for Tax Increases: A Comparative Political Analysis*

- A 2/3-supermajority standard would require Members to be more fiscally responsible with the money available by making it more difficult for Congress to endlessly reach into Americans' pockets to fund increased spending.

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