

TAXES

Throughout his career, Congressman DeFazio has been a vocal advocate for reducing the tax burden on working families while ensuring that corporations and the wealthiest Americans (those making more than \$311,000 a year) pay their fair share.

DeFazio has voted in favor of tax relief for married couples, increasing the child tax credit, and creating the lower 10 percent tax bracket. DeFazio has supported legislation to lower the tax burden on small businesses. He has also drafted legislation to ease the payroll tax burden on workers and employers.

In the 108th Congress (2003-2004)

- ▶ **DeFazio voted in favor of H.R. 1308, legislation to extend the increased child tax credit, the lower 10 percent tax bracket and marriage penalty relief originally approved in 2001 for five more years.** This legislation was sent to the President for his signature on September 23, 2004.
- ▶ **The first bill DeFazio introduced** in the 108th Congress was an economic stimulus measure, H.R. 396, that **provided for a one-year exemption of the first \$10,000 in wages from the Social Security payroll tax.** This legislation would provide a \$620 tax cut for employees and a \$620 tax cut for employers for each employee earning at least \$10,000.
- ▶ **DeFazio voted in favor of stand-alone legislation, H.R. 4359, to permanently maintain the increase in the child tax credit** that was originally enacted in 2001. This legislation was approved in the House on May 24, 2004. A five year extension was eventually rolled into H.R. 1308, which was sent to the President for his signature on September 23, 2004.
- ▶ DeFazio also cosponsored legislation, H.R. 2325, which would accelerate the refundability of the child tax credit. This legislation would benefit lower income families.
- ▶ **DeFazio voted in favor of stand-alone legislation, H.R. 4181, to ensure the repeal of the marriage penalty** that was enacted in 2001 was made permanent. This legislation was approved by the House on April 28, 2004. A five year extension was rolled into H.R. 1308, which was sent to President Bush for his signature.
- ▶ **DeFazio voted in favor of stand-alone legislation, H.R. 4275, to make the 10 percent tax bracket permanent.** This legislation was approved by the House on May 13, 2004. A five year extension was eventually rolled into H.R. 1308, which has been sent to President Bush for his signature.
- ▶ **DeFazio voted in favor of legislation, H.R. 4227, that would extend relief from the alternative minimum tax** for individuals for two years. This legislation was approved by the House on May 5, 2004. One-year relief from the AMT was included in H.R. 1308, which was

sent to President Bush for his signature.

- ▶ DeFazio voted in favor of H.R. 1057, legislation to extend the expansion and increase in the adoption tax credit that was originally adopted in 2001. This legislation was approved in the House on September 23, 2004.
- ▶ **DeFazio cosponsored several bills to force corporations to pay their fair share of taxes** including: H.R. 737 to eliminate the ability of corporations to rent post office boxes that serve as headquarters in tax havens to avoid U.S. taxes; H.R. 1555 to eliminate corporate tax shelters used to hide income.
- ▶ **DeFazio is a cosponsor of H.R. 3607, legislation to provide a refundable tax credit for small businesses to purchase health insurance for their employees.** The credit equals 40-60 percent of the cost of insurance, depending on the size of the company.
- ▶ DeFazio is also a cosponsor of legislation introduced by Representative Hooley, H.R. 3608, which **provides a \$5,000 tax credit for the creation of new jobs during the current recession.**
- ▶ **DeFazio is a cosponsor of bipartisan legislation, H.R. 1769, the Job Protection Act, which would lower the corporate tax rate on businesses who manufacture in the United States.**
- ▶ DeFazio voted against H.R. 4520, the so-called American Jobs Creation Act, because the bill included tens of billions of dollars in tax subsidies for exporting American jobs overseas. The non-partisan Congressional Research Service wrote that the tax cuts in H.R. 4520 would "unambiguously reduce the relative tax burden of foreign compared to domestic income...there would be more situations where firms would have a tax incentive to increase their overseas investment." DeFazio also opposed the bill because it would add \$200 billion to our national debt over ten years, it contained a variety of corporate subsidies for favored industries, and did not do enough for small manufacturers here at home.
- ▶ **DeFazio voted in favor of H.R. 1307, the Armed Forces Tax Relief Act.** This legislation eases the tax burden on those serving in combat situations in a variety of ways.
- ▶ DeFazio is a cosponsor of legislation, H.R. 727, to close a loophole that subsidizes the purchase of heavy gas guzzling vehicles like Humvees.
- ▶ DeFazio is a cosponsor of H.R. 570, legislation to extend the production tax credit for wind energy, which is important renewable energy production in the Northwest. An extension of the renewable energy production tax credit was included in H.R. 1308, which was sent to the President for his signature in September 2004.
- ▶ DeFazio is a cosponsor of H.R. 610, legislation to reinstate the tax on corporations to pay for clean-up of environmentally hazardous Superfund sites. This legislation promotes the "Polluter Pays" principle rather than requiring taxpayers to pay to clean up corporate messes.

- ▶ DeFazio is a cosponsor of H.R. 2096, legislation to provide a tax deduction for long-term care insurance premiums.
- ▶ DeFazio is a cosponsor fo H.R. 2888, legislation that would limit the tax deductability of excessive CEO compensation. Corporations could still pay CEOs whatever they want to, but they couldn't force the American taxpayers to subsidize such pay by counting excessive pay as a business expense and then deducting it off their taxes.

In the 107th Congress (2001-2002)

- ▶ DeFazio voted against the final version of the tax cuts advocated by President Bush during 2001-2003 because he did not believe that the surpluses that were supposedly being returned to taxpayers would actually materialize. Unfortunately, they did not, which means that our nation is borrowing trillions of dollars in order to fund tax cuts.
- ▶ DeFazio voted in favor of a substitute bill by Representative Rangel(D-NY) to end the marriage penalty in the U.S. tax code (March 29, 2001, Roll Call Vote #73).
- ▶ DeFazio voted in favor of a substitute bill by Representative Rangel to eliminate the estate tax for all estates worth \$5 million or less. (April 4, 2001, Roll Call Vote #82).
- ▶ DeFazio cosponsored several bills to force corporations to pay their fair share of taxes including: H.R. 3884 to eliminate the ability of corporations to rent post office boxes that serve as headquarters in tax havens to avoid U.S. taxes; H.R. to 2520 eliminate corporate tax shelters used to hide income; H.R. 4993 to prevent businesses that relocate abroad to avoid taxes, from taking advantage of international tax treaties; and H.R. 4831 to prohibit corporate tax dodgers from receiving government contracts.
- ▶ DeFazio introduced legislation, H.R. 3315, to stabilize and improve Social Security. This legislation included a provision to exempt the first \$4,000 in wages from the individual portion of the Social Security payroll tax.

In the 106th Congress (1999-2000)

- ▶ DeFazio voted in favor of legislation, H.R. 4865, legislation to repeal a portion of the tax on Social Security benefits (Roll Call Vote #450). This legislation was approved by the House on July 27, 2000, but was never acted on by the Senate.