

Congressman Paul Cosponsors "Taxpayer Choice Act"

October 16, 2007

Washington, DC - Congressman Ron Paul has signed on to co-sponsor legislation that will repeal the Alternative Minimum Tax on individuals and replace it with an alternative, simplified tax that individuals may choose.

The Taxpayer Choice Act of 2007 *H.R. 3818* would completely repeal the Alternative Minimum Tax, which was originally enacted to impose taxes on a small number (originally only 155) of the wealthiest Americans. Because the tax is not indexed to inflation, more and more Americans are falling under the AMT trap. Temporary increases in the exemption amount have been extended until the end of 2010. If the AMT is not repealed, 50 million taxpayers will be affected within a decade, up from 3.5 million in 2006.

In addition, *H.R. 3818* introduces a highly simplified tax alternative with tax brackets at 10% and 25%, a generous standard exemption and no special deductions. Taxpayers who are frustrated and bewildered by our current complicated tax code can opt-in to this simplified version, which is designed to be revenue neutral, but very transparent and much easier to administer. It is indexed to inflation.

"This new tax structure could greatly reduce the cost of compliance, and make the financial pretzels we twist ourselves into to reduce our tax burden a thing of the past. It would certainly be better than what we have now, so I hope my colleagues in Congress will join me in supporting this bill," stated Congressman Paul.