July 31, 2012

Dear Representative:

On behalf of the 1.6 million members of the American Federation of State, County and Municipal Employees (AFSCME), I urge you to oppose the “Job Protection and Recession Prevent Act of 2012” (H.R. 8), which would extend the Bush-era tax cuts for all income of every American, including millionaires and billionaires. Instead, AFSCME supports the Democratic substitute, which is identical to recently-approved Senate legislation, and would continue the Bush-era tax cuts for the top 2% of income earners scheduled to expire at the end of the year. I urge you to oppose the “Pathway to Job Creation through a Simpler, Fairer Tax Code Act of 2012” (H.R. 6169), which would create a “fast-track” process for Congress to consider some legislation that cuts taxes. AFSCME opposes this legislation because it would unnecessarily generate disproportionate huge tax cuts to the richest 2% and large corporations.

It is time to take a stand against further tax cuts for the richest 2% in order to start restoring basic fairness to federal tax policy. Our federal tax system should help build and maintain a just society. Tax policy should raise adequate revenues, promote equal opportunity for working families, strengthen the social safety net and help create jobs and investments in vital public services and infrastructure. We should raise revenues progressively — by ensuring those with the most income and wealth pay their fair share.

The public’s growing concern with worsening income inequality and the fact that millionaires and billionaires pay relatively little federal income tax highlight the need to close tax loopholes and raise revenues. Recent public opinion polls demonstrate that more than two-thirds of Americans think we should end the Bush-era tax cuts for the richest 2%. Progressive tax policy can achieve these goals, lower federal deficits, and fund education, health care, infrastructure and our social safety net. This would also help avoid the looming sequester, which could devastate critical services, eliminate millions of jobs and prolong our nation’s economic difficulties.

Unfortunately, H.R. 8 does the opposite. First, it extends unnecessary Bush-era tax cuts on all income for everyone, including millionaires and billionaires. Second, it does not extend tax cuts focused on helping low-income and middle-class families, which were enacted in the 2009 American Recovery and Reinvestment Act stimulus legislation, such as the Child Tax Credit, Earned Income Tax Credit for families with three or more children and the American Opportunity Tax Credit for up to $2,500 annually in college tuition and related expenses. Third, this legislation is extremely costly and would divert tens of billions of dollars from our nation’s domestic needs. This is bad tax policy and does not reflect our nation’s tax priorities. For these reasons, we oppose H.R. 8 and support the Democratic substitute.

AFSCME opposes H.R. 6169 because it creates an expedited congressional process for tax reform outside of regular order, and then restricts this process to legislation that meets House Republican policy goals. Furthermore, this legislation must meet the following harmful criteria: it caps the corporate tax rate at 25%, it repeals the Alternative Minimum Tax and it consolidates individual tax rates into two brackets no higher than 10% and 25%. These criteria are regressive and the bill’s expedited process would stack congressional rules against the interests of working families.

We urge you to take a stand in support of tax fairness and vote to oppose H.R. 8 and H.R. 6169.

Sincerely,

[Signature]

Charles M. Loveless
Director of Federal Government Affairs

CML: mgb