



Americans for Responsible Taxes Principals

ART supports four goals as the pillars of responsible fiscal reform that meets our national priorities and helps support hard-working families.

1. Reverse the Bush tax cuts for the wealthiest Americans. Restore the top two marginal tax rates to 36 and 39.6 percent. For individuals who make \$200,000 and couples who make \$250,000, rates would go from 33 percent to 36 percent, and individuals and couples who make \$375,700 would go from 35 percent to 39.6 percent. Increase the tax rate for capital gains and dividends to no less than 20 percent, up from the 15 percent it has been at for several years. Eliminate other loopholes and preferences that benefit those earning more than \$250,000 per year.
2. Reinstate the estate tax. The estate tax should be made permanent at a top rate of no less than 45 percent, with an exemption preferable lower than \$3.5 million per individual or \$7 million per couple. The estate tax expired at the end of 2009 leaving the estate tax at zero right now. It will reset to 55 percent with a \$1 million exemption at the end of 2010 if no action is taken.
3. Eliminate tax loopholes for corporations and the wealthy, and hold Wall Street accountable. Prevent offshore profit shifting by corporations. Close offshore tax havens so that the wealthy can't dodge taxes. Eliminate subsidies for oil and gas companies. Impose a financial responsibility fee on banks and/or a tax on financial transactions to compensate taxpayers for the Wall Street bailout. Tax "carried interest"—the tax hedge fund managers pay on the profit they receive from managing the fund. These wealthy individuals do not currently count their income as wages or ordinary income, instead paying the current capital gains tax rate of 15 percent. If they were subject to income tax as wage earners the tax rate for their group would be 35 percent under the tax provisions in current law.
4. Ensure economic security for every working family. Make permanent the American Recovery and Reinvestment Act expansions of the Earned Income Tax Credit, the Child Tax Credit, and the American Opportunity Credit. These tax credits can reduce the tax owed below zero and result in a net cash payment to the taxpayer beyond their own payments into the tax system. These credits are used as work incentives and antipoverty supports for low-income families. The EITC for families has two provisions that will expire at the end of 2010 and need to be preserved: reducing the marriage penalty for married couples by raising the income level at which the EITC begins to phase out to \$5,000 for 2009 and 2010; and providing greater benefits for the more than 3 million families with three or more children. The Child Tax Credit is equal to 15 percent of the amount of a family's earnings above the income threshold—set at \$3,000 for tax years 2009 and 2010 in the Recovery Act—up to \$1,000 per child. If no action is taken on these improvements, families will have to make more than \$12,850 to qualify for this tax credit.

I hereby endorse the principals of the Americans for Responsible Taxes camping on behalf of my organization.

Organization

Name

Title

Email

Phone (including area code)

Organization's Address

Signature

Date