



The Daily Whip

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THURSDAY, DECEMBER 8, 2005

House Meets At...	Last Vote Predicted At...
10:00 a.m.: Legislative Business Ten "One Minutes" Per Side	2:00 – 3:00 p.m.

*** THE TAX RECONCILIATION BILL WILL BE VOTED ON TODAY. MEMBERS ARE ADVISED A CLOSE VOTE IS EXPECTED ON THIS BILL AND ATTENDANCE IS CRITICAL. PLEASE CONTACT THE WHIP'S OFFICE IF A MEMBER ANTICIPATES NOT BEING IN ATTENDANCE.**

FLOOR SCHEDULE AND BILL SUMMARY

H.Res. 588 – Rule providing for consideration of H.R. 4297 - Tax Reconciliation Act (Rules). The Rules Committee has recommended a restrictive rule that provides one hour of general debate, provides one motion to recommit with or without instructions, and makes in order one amendment in the nature of a substitute to be offered by Rep. Rangel or his designee.

H.R. 4297 – Republican Budget Reconciliation Tax Bill (Rep. Thomas - Ways and Means) (Subject to a Rule). The GOP tax cut package costs more than \$56 billion over five years (\$81 billion over 10 years) and primarily benefits the wealthiest taxpayers.

- **Republicans cut taxes for the wealthiest taxpayers while continuing to shift additional tax burden onto middle-class working families.** The GOP tax cut package includes a host of annual tax extensions (R&D tax credit and the Work Opportunity tax credit) and has as its centerpiece the extension of the capital gains and dividend tax cut from 2008 to 2010. Republicans knowingly and deliberately will increase the tax burden and complexity on nearly 17 million more middle-class working families next year by failing to extend the higher exemptions for the Alternative Minimum Tax (AMT) that expire this year. The distribution of taxable capital gains and dividends is highly skewed toward upper-income tax returns, with those making under \$50,000 a year collectively receiving only 3.2% of the capital tax cut value; taxpayers making more than \$200,000 a year receive 80% of the capital gains tax cut value; and those with incomes above \$1 million receive over 50% of the tax cut value. Meanwhile, under the GOP plan, nearly one-third of taxpayers making between \$75-100,000 per year will be subject to the AMT next year.
- **Republican tax cuts add to the deficit.** After years of neglecting fiscal responsibility and borrowing to pay for tax cuts and reconstructing Baghdad, Republicans are now cutting programs that primarily serve the most vulnerable Americans in order to pay for their tax cuts, all while the national debt exceeds \$8 trillion and the cost of interest on the debt will average over \$300 billion a year during the next decade.

The Democratic Substitute offers fiscally responsible extensions that protect the middle class. The substitute would extend the higher exemptions for the AMT another year, and renew the other annual tax extender provisions that expire in 2005 for an additional year. The Democratic substitute deals only with the most pressing tax provisions, totals \$42 billion over 5 years, and offsets the full cost of those extensions by reducing the size of the President's tax cuts on incomes over \$1 million for joint returns, and \$500,000 for other returns.

Democrats are urged to VOTE YES on the Democratic Substitute and to VOTE NO on the Republican Budget Reconciliation Tax bill.

Postponed Suspension Votes (1 bill):

- 1) **H.R. 1400** - Securing Aircraft Cockpits Against Lasers Act of 2005 (Rep. Keller - Judiciary)

TOMORROW'S OUTLOOK

The GOP Leadership has announced the following schedule: on Friday, no votes are expected in the House.

Daily Quote...

"If they [House Republicans] want to cut taxes, fine, but they are going to have to cut spending by at least that much to help the deficit, and clearly they are not willing to do that. They have to start looking reality in the face."

- Robert L. Bixby, Executive Director of the Concord Coalition, in *The Washington Post* this morning