



# AMERICANS FOR TAX REFORM

GROVER G. NORQUIST

PRESIDENT

27 July 2005

The Honorable Ron Wyden  
United States Senate  
230 Dirksen Senate Office Building  
Washington, DC 20510-3703

Senator Wyden,

I am writing you to inform you on the views of your fellow Oregon citizens concerning estate tax repeal. On May 25th, the Oregon State Assembly approved a resolution “respectfully urg[ing] the Congress of the United States to enact legislation that immediately and permanently repeals the death tax.” Oregon farmers and small business owners particularly consider this action as crucially important.

Permanent repeal will do great benefits to the economies of Oregon and the country as a whole. The cost of capital will go down, increasing investment, growing the economy, and creating jobs. Moreover, farmers and small business owners will no longer have to lose their farms or liquidate assets in order to comply with this onerous tax.

Some senators have expressed concerns about the effect that repeal will have on the budget deficit. However, due to strong economic growth, the budget deficit is trending downwards. Recent CBO numbers showed a \$100 billion reduction in the deficit. Secondly, the Joint Committee on Taxation’s revenue scoring estimate has always hugely overestimated the cost of tax cuts by ignoring their positive impact on economic growth. A recent study by the American Family Business Institute projects that repeal will only cost half of the JCT’s estimate.

Please do not be persuaded to accept any compromise proposal which would preserve the estate tax but lower the rate. History shows that the tax will slowly creep back up and the economic burden will remain. The only real solution is to end the tax for good. Americans realize this and support permanent repeal with 70 percent majorities.

Once I again, I urge you to vote yes to permanently repeal the estate tax.

Sincerely,

Grover Norquist

73rd OREGON LEGISLATIVE ASSEMBLY--2005 Regular Session

Enrolled

House Memorial 7

Sponsored by COMMITTEE ON REVENUE

**To the President of the United States and the Senate and the House of Representatives of the United States of America, in Congress assembled:**

We, your memorialists, the House of Representatives of the state of Oregon, in legislative session assembled, respectfully represent as follows:

**Whereas** under the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16), the federal estate tax, commonly called the 'death tax,' was temporarily phased out, but was not permanently abolished; and

**Whereas** farmers and small business owners face losing their farms and businesses if the federal government resumes the imposition of the burdensome death tax on the estates of persons who die; and

**Whereas** the death tax is particularly harmful to families who are working to achieve financial stability and accumulate wealth and capital for the first time; and

**Whereas** employees suffer layoffs when small- or medium-sized businesses are liquidated to pay death taxes; and

**Whereas** if the death tax had been repealed in 1996, the United States economy would have realized billions of dollars in increased economic output and the creation of about 145,000 additional jobs each year; and

**Whereas**, having repeatedly passed in the United States Senate and House of Representatives, the repeal of the death tax holds wide bipartisan support; now, therefore,

**Be It Resolved by the House of Representatives of the State of Oregon:**

**That we, the members of the House of Representatives of the Seventy-third Legislative Assembly, respectfully urge the Congress of the United States to enact legislation that immediately and permanently repeals the death tax; and be it further**

**Resolved**, That a copy of this memorial shall be sent to the President of the United States and to each member of the Oregon Congressional Delegation.

Adopted by House May 25, 2005