



NEWS

www.atr.org
www.fiscalaccountability.org

FOR IMMEDIATE RELEASE
18 FEBRUARY 2010

Contact: John Kartch
jkartch@atr.org

Tax Hikes a Foregone Conclusion Under Obama's Tax-and-Spend Commission

To-be-announced head of commission Alan Simpson has sold out taxpayers before

WASHINGTON, DC – Today, President Barack Obama signed an executive order announcing the creation of his “debt commission,” modeled after the infamous “Conrad-Gregg commission” plan the Senate voted down in January. The Administration has already announced that the panel will be headed up by former White House chief of staff under Bill Clinton Erskine Bowles and former Republican Senate Whip Alan Simpson.

While a United States Senator, Simpson voted for two “bipartisan deals” which had real tax increases and phony spending cuts. The first was the 1982 “[TEFRA](#)” bill which promised \$3 in spending cuts for every \$1 in tax hikes. The second was the 1990 “[Read My Lips](#)” deal struck at Andrews Air Force Base, which promised \$2 in spending cuts for every \$1 in tax hikes. In both cases, every penny of the tax hikes went through. Also in each case, the [spending restraint never materialized](#).

“Taxpayers have every reason to be concerned. Alan Simpson has a history of walking into a room with the stated goal of reform – and in both cases he voted for higher taxes and higher spending, leaving taxpayers to foot the bill,” says Grover Norquist, president of Americans for Tax Reform. **“There is no reason to believe that things would be different this time around – when you put everything on the table, including damaging tax hikes, taxpayers will more than likely be sold out.”**

Reform commission proposals that would not run the risk of being hijacked by tax increase proponents have been put forth in both the U.S. House and Senate. Senator Sam Brownback (R-KS) has sponsored the CARFA Act, which is modeled after the successful BRAC base closure commission, just like a similar bill, the FAPRAC Act sponsored by Rep. John Sullivan (R-OK) in the House. Both of these bills focus only on Federal spending and leave no room for tax increases. Rep. Patrick McHenry’s (R-NC) CORE Spending Act, while setting up a differently focused commission, protects taxpayers by incorporating a clear prohibition of tax increases or new taxes.

“Rather than falling into the old “everything’s on the table” trap where tax increases are a foregone conclusion, Congress and the Administration should look to enact a BRAC-style spending reform-only commission or the CORE Spending Act all of which would take increases off the table.” continued Norquist. **“The BRAC process would not have worked if it had been tasked with either closing unnecessary bases or raising taxes to pay for unnecessary bases. It worked precisely because it had one job: to save taxpayer money by closing unnecessary bases, and along these lines, we should focus only on the real culprit of our fiscal problems – out-of-control spending.”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. The Center for Fiscal Accountability, a project of Americans for Tax Reform, seeks to shed a light on government expenditures, and to promote transparency, accountability, and restraint in government finance. For more information or to arrange an interview please contact John Kartch at (202) 785-0266 or by email at jkartch@atr.org.

###