



THE HOUSE DEMOCRAT BUDGET TAXES TOO MUCH

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- The House Democrat budget resolution reported out of the Budget Committee taxes too much
- Under the committee's budget, tax revenues are scheduled to rise from \$2.2 trillion in 2009 to \$3.3 trillion in 2014. That is a \$1.1 trillion increase in tax revenues in just five years, or \$3600 for every man, woman, and child in America
- Expressed as a percent of the economy, taxes would rise from 15.7 percent of GDP in 2009 up to 19.2 percent of GDP in 2014, well above the post-War historical average of 18.5 percent of GDP
- The budget calls for tax revenue growth of 7 percent a year *after inflation*
- Federal taxes in 2014 would exceed \$10,000 for every man, woman, and child in the United States, which has only happened a handful of times since the Second World War (even adjusting for inflation)
- The tax rate on \$2 out of every \$3 in small business profits would rise from 37.9 percent today to 42.5 percent in 2011.
- This small business tax hike also affects the 42 million Americans who work at small businesses with fewer than 100 employees
- The tax rate on capital gains and dividends would rise from 15 percent today to 20 percent in 2011. This will lower the price of every stock in the stock market, which in turn takes a bite out of every American's 401(k) plan or IRA
- This budget will result in massive tax increases on American-made energy. The worst of these is the "cap and tax" proposal of the Obama Administration and his allies on Capitol Hill. According to a CBO score of the most popular version of this, "cap and tax" will raise energy bills by about \$1000 for every family in America, every year