



AMERICANS
for TAX REFORM

November 13, 2009

The Honorable Kevin Brady
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Brady:

On behalf of Americans for Tax Reform, I am pleased to support H.R. 3905, “The Estate Tax Relief Act of 2009.” While it falls short of our goal of full death tax repeal, it remains a tax cut relative to current law.

As you know, the death tax is scheduled to be reduced to a rate of “0” in 2010, only to shoot up to 55 percent in 2011. **Full repeal of the death tax remains the goal.** However, should full repeal not be possible, the next priority for taxpayers must be to avoid a tax increase relative to current law.

H.R. 3905 is a death tax cut relative to current law. The bill calls for a ten-year, phased in reduction of the death tax rate—from 45 percent in 2009 to 35 percent in 2019. Furthermore, the death tax exclusion rises from \$3.5 million in 2009 to \$5 million in 2019 (indexed to inflation after that). This would be a permanent cut in the death tax, and moves closer to full repeal than current law would.

H.R. 3905 would score as a net tax cut relative to current law, which assumes a 55 percent death tax rate and a \$1 million exemption level—permanently. Repeal of the death tax would be preferable to H.R. 3905, but this bill is superior to current law after 2010.

I look forward to continuing to work with you and our other allies on Capitol Hill to fully repeal the death tax.

Sincerely,

Grover G. Norquist
GGN: rle

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T:(202)785-0266

F:(202)785-0261

www.atr.org