



AMERICANS *for* TAX REFORM

December 8, 2009

The Honorable Barney Frank
Chairman, House Financial Services Committee
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Frank:

Americans for Tax Reform is opposed to H.R. 4173, the “Wall Street Reform and Consumer Protection Act of 2009.” Besides raising the cost of government with onerous new regulations on the financial services sector, H.R. 4173 is a net tax increase.

According to the Congressional Budget Office and the Joint Tax Committee, net tax revenues would increase by \$4.9 billion over the 2009-2019 budget window. These tax hikes are the result of new fees assessed on the financial services sector in order to pay for the new regulations on that same sector.

Increasing taxes and regulations on financial services companies will only result in fewer and more expensive financial services offered to the American people. The old maxim, “if you want less of something, tax it more” certainly applies here (and one might also insert “regulate” instead of “tax”).

Raising taxes on vital services needed by everyone—at least everyone who owns a home, has a credit card, or has opened an IRA—is foolish public policy.

Sincerely,

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