

## Grassley Urges Comprehensive Family Tax Relief

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today said he is committed to comprehensive family tax relief addressing the child tax credit, the marriage tax burden and the alternative minimum tax. Grassley's comments came after a hearing at which experts testified about the federal tax hardships facing families.

"Families deserve red-carpet treatment from the tax code. Instead they get door-mat treatment," Grassley said. "That has to change. If we want to preserve families, we have to ease the tax code's tight grip on family income."

Grassley said he supports President Bush's focus on ways to reduce the income tax burden of working families through a doubling of the child credit to \$1,000 and to help married couples.

Grassley said the \$500 child credit came in 1997 after years of attempts in Congress. As Bush recognizes, a \$1,000 credit wouldn't cover the costs of raising a child, but it would provide much-needed assistance, Grassley said.

Tax relief for married couples also has been a long-time subject of debate in Washington, Grassley said. He predicted that Congress and the President will act on marriage tax relief this year because there's a growing consensus in favor of income tax relief for married couples – both those who have a parent stay at home, as well as those couples in which both the husband and wife work.

Grassley said he was pleased that the House Democrats' tax cuts proposal embraces the idea that the tax code should help marriage regardless of whether one parent or two parents work. "I'm confident we can find common ground in this area, and that we'll report legislation that promotes and strengthens marriage by providing income tax relief to married couples, including marriages with a stay-at-home parent and marriages in which both husband and wife work," Grassley said.

Grassley said addressing the alternative minimum tax also is important. This tax will affect an increasing number of middle-income families, according to expert witnesses. If unaddressed, it will pose undue burdens on a greater number of taxpayers and could counteract the positive effects of other family tax relief, Grassley said.

"These topics might seem complex, but the idea is very simple," Grassley said. "Tax relief should allow parents to keep more of the money they've earned. It should make a real difference to parents working to give their children a better life."

