



Committee On Finance

Max Baucus, Ranking Member

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Remarks Regarding Capital Gains and Dividends Tax Cuts and the AMT Senate Floor Statement of U.S. Senator Max Baucus (D-Mont.)

Mr. President, I urge my Colleagues to oppose [the Grassley] motion. We must choose between extending protection from an AMT tax increase this year for 17 million working families, or extending \$50 billion of investor tax breaks that don't expire until three years from now.

Now, this motion says: "You can have it all." This motion says: "There is no deficit problem." This motion says: "Don't worry, be happy."

Our Senate bill, supported by 66 Senators, chose to protect millions of working families from the 2006 AMT hit, rather than extending 2009 tax breaks for investors.

I wish that we could realistically hope that our colleagues in the House would be willing to accept offsets such as a crackdown on tax shelters that would permit us to increase the number of tax cuts in this bill. But history tells us that that will not be the case.

The truth is: We cannot have it all. There is a deficit problem. Something will have to give.

Is it the R&D credit? Is it incentives for businesses to hire the hard-to-employ? Is it a true AMT hold-harmless?

The House made their choice. They chose not to protect the 17 million families threatened by the AMT.

Some items can wait until 2007, or 2008, or even 2009. Capital gains can wait. But AMT cannot wait. Protection from that tax increase expired in December.

Seventeen million working families are waiting to hear of our choice.

I urge my Colleagues not to embark on this dangerous course. I urge them to reject this motion.

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