



For Immediate Release
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**Floor Statement of Senator Max Baucus (D-Mont.)
Regarding The Tax Certainty And Relief Act of 2009**

Mr. President, there's a storm brewing. This storm is not an act of God. It's man-made. And it's coming to a head next year.

The 2001 tax cut law gave much-needed tax relief to families with children. It gave much-needed tax relief to families with college students. It gave much-needed relief to family-owned businesses.

I worked on those tax cuts. And I believed in them.

But the provisions in that bill expire on December 31, 2010.

And, since the day that we passed that bill, we've passed others. These other bills expanded and enhanced some of the 2001 provisions that help America's families.

Next year, all that we've done disappears. American families are left in a state of uncertainty. This uncertainty undermines confidence in the Government and the future.

That's why, today, I'm introducing the Taxpayer Certainty and Relief Act of 2009.

This bill would make permanent several expiring provisions that help families.

This bill would make permanent the tax cuts for the 10 percent, 15 percent, 25 percent, and 25 percent tax brackets. Without this change, taxpayers would experience up to a \$5,000 tax increase. This bill would make permanent the lower capital gains rates for taxpayers in these brackets.

This bill makes permanent the marriage penalty relief enacted in 2001. This would guarantee that married couples would not be penalized when they take their wedding vows.

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This bill would also make permanent the \$1,000 child tax credit. It would also make permanent the refundable child tax credit, with a threshold of \$3,000, that was recently passed as part of the American Recovery and Reinvestment Act.

This is important because prior to the 2001 bill, this credit was \$500 and not refundable.

This bill would make permanent the expansion of the earned income tax credit. As a result, married couples would get more relief and families with three or more children would get a larger credit.

The bill would help working men and women by making permanent the changes to the dependent and child care credit. This credit helps cover the increased expenses of providing child care during a time when everyone is struggling to stay employed and weather this economic downturn.

This bill would also make permanent the increased credit for adoption. Giving a child a home and love is expensive. Families that adopt children have a lot of expenses. This bill would continue to give a \$10,000 credit for adoption expenses.

These provisions recognize the increased cost of raising children. Congress values families and wants every family to succeed.

Another problem that Congress has to tackle every year is the Alternative Minimum Tax, or the AMT. This tax creeps up on millions of taxpayers every year. Every year, Congress holds this monster at bay, making sure no new taxpayers pay this horrible tax.

As a result, the number of taxpayers paying the AMT remains at just over four million. Without Congress's action, 26 million people would have to pay this tax.

This bill would permanently fix the AMT. It sets the exemption at 2009 levels and indexes it for future years. It also allows the AMT against the nonrefundable credits.

Finally, this bill would offer certainty on the estate tax. This is something that I've tried to get done over and over again. The Finance Committee held several hearings discussing this tax. This bill makes permanent current law. This bill would set the exemption at three point five million dollars, or seven million dollars for married couples. It would also set the tax rate at 45 percent.

We've also made some other needed fixes. This bill would unify the gift and estate taxes. This bill would also allow a decedent spouse to transfer any unused exemption to the surviving spouse. This is known as portability.

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I believe that this bill is just the beginning. I realize there are other tax cuts that need to be made permanent. For example, I hope to address education issues later this year.

But today, let's begin to give working families some shelter from the coming storm.

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