



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

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## MEMORANDUM

To: Reporters and Editors  
Re: Signing of the *Working Families Tax Relief Act of 2004*  
Da: Monday, Oct. 4, 2004

Today President Bush signed H.R. 1308, the *Working Families Tax Relief Act of 2004*, into law in Des Moines. Sen. Chuck Grassley, chairman of the Committee on Finance, introduced the President. Grassley is the chief Senate author of the tax relief measure who has worked with the President to enact a series of tax relief measures over the past four years: the *Economic Growth and Tax Relief Reconciliation Act of 2001*; the *Job Creation and Worker Assistance Act of 2002*; the *Job Growth and Tax Relief Reconciliation Act of 2003*; and today's *Working Families Tax Relief Act of 2004*. In the next few days, Congress could send the President the *Jumpstart Our Business Strength Act*, or JOBS Act, to help U.S. manufacturers and bring the United States into compliance with its world trade obligations. Sen. Grassley made the following comment on today's legislative signing.

"Today I had the privilege of introducing our President. No President in my lifetime has done more to shift the nation's money from the government that spends it to the people who earned it. This President has taken action to increase economic growth, to create jobs for American workers, and to ease the tax burden on individuals and small businesses, where most jobs are created.

"President Bush's tax bills reduce taxes for married couples, for parents, for those saving for college, and for workers saving for retirement. They help families pass businesses and farms from one generation to the next, and small businesses grow and create jobs. It all comes down to this: Thanks to President Bush, Americans have more money in their own pockets to help make ends meet. Today's tax bill marks the fourth time we've worked together to put more money in the paychecks of working families. It won't be the last.

"Not so long ago, tax relief was just an idea. Today, tax relief is a reality. What a difference a tax-cutting President makes. When America's economic tank ran low, George W. Bush understood how to prime the pump. His leadership on taxes has brought the economy around. We've worked together to forge bipartisan tax relief bills that help all working families. This is legislation that couldn't pass without support from both sides of the aisle. President Bush is famous for his nicknames. He calls me 'Mr. Chairman,' after my chairmanship of the Finance Committee. In turn, I have a nickname for him. I call him the 'Tax Cutter-in-Chief.' "

The *Working Families Tax Relief Act of 2004* ensures that previously enacted tax relief doesn't expire, so taxpayers will continue to enjoy uninterrupted tax relief. The measure:

- Keeps the per-child tax credit at \$1,000.
- Extends the new 10 percent tax bracket, helping cut taxes for virtually all taxpayers.
- Retains a provision giving married couples relief from the so-called marriage penalty.
- Keeps more middle-income families from being hit by the Alternative Minimum Tax, which was designed to ensure that wealthy taxpayers pay their fair share but is hitting more middle-income taxpayers.

Attached are Finance Committee calculations showing the impact of the *Working Families Tax Relief Act of 2004*. For example, a married couple with two children earning \$50,000 will see a tax savings of \$925 next year.

Here's a link to a February news release from the Treasury Department showing how taxpayers would be affected if the family tax cuts were not extended. The information is toward the bottom.

<http://www.ustreas.gov/press/releases/js1201.htm>