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MEMORANDUM

To: Reporters and Editors
Re: House-Senate Democrats' tax agreement
Da: Friday, April 20, 2007

Sen. Chuck Grassley, ranking member of the Committee on Finance, tonight made the following comment on the House-Senate Democrats' agreement on a tax package to include in the supplemental spending bill.

“The point of this package was to give tax relief to small businesses to counteract the effects of the minimum wage increase and otherwise boost the economy. The relief was supposed to be contemporaneous with the wage increase so small businesses wouldn't cut jobs. The Senate package was barely adequate. I called it peanuts. The House package was puny. I called it a peanut shell. Now we have a single shriveled peanut. This package is stripped of a lot of meaningful tax relief. And missing are many of the tax abuse crackdowns from the Senate bill. Apparently the lobbyists' crocodile tears over those crackdowns were effective. Tax gap measures are yesterday's news. Corporate inversion and leasing deal crackdowns are in the dust bin. It's a real head-scratcher. The Democratic leaders say they want to shut down tax shelters but when they have a chance to do it, we get a package that's the toast of tax shelter hucksters.”