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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

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August 6, 2010

The Honorable Max Baucus
Chairman
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Baucus:

As the July work period draws to a close, we think it is important to review the progress we have made working together in a bipartisan manner to establish the foundation for an early September mark up of legislation that will prevent the largest tax increase in history while the economy remains mired in near double-digit unemployment.

On July 14, you held an important hearing that provided us with information about how taxpayers would be affected and economic growth would be harmed if tax rates are increased next year. Then on July 22, we had a cooperative and very candid members meeting in which you listened to our concerns and gave us an opportunity to hear from your side about how you plan to proceed. At that meeting, you agreed to process a tax bill in committee to address the expiration of individual tax rates, expired provisions like the R&D tax credit, an estate tax compromise, and energy taxes. In exchange, we agreed to limit our amendments to those particular topics and to refrain from offering amendments that would introduce extraneous matters like corporate tax reform.

It would be a mistake for the Senate to consider such an important piece of tax legislation without its having first been marked up by the Finance Committee. The Committee process would provide the members the ability to use the Committee's collective expertise to produce a consensus product that is the result of a deliberative process rather than a partisan bill that is hastily written behind closed doors. We also need time for the entire Senate to engage in a substantive amendment process – which could also be limited to the topics covered by the bill – that allows members who are not on the Committee to be heard.

Under your leadership, we believe the Finance Committee's central role in crafting tax policy can be restored and pledge to work together in a bipartisan manner to prevent the draconian tax hikes that will result if we fail to act.

Sincerely,

Chuck Granley

Jon Kyl

John Conyers
Pat Roberts

Jim Bunning
Chris G. Hatch

Olympic Snowy

John Eriser

Mike Enzi

Mike Crapo