

Thank you, Mr. Speaker.

Today, 4 million Americans are paying the price for the misplaced tax priorities of the Bush administration and the Republicans here in Congress. For the last 6 years, their obsession with assisting the top 1/10th of a percent and other favored special interests to reduce their tax burden has riddled the Tax Code with more loopholes, adding about a million and a half more words to that code. At the same time they have considered three mammoth and expensive tax bills in 2001, 2003 and 2004 that refused to address the alternative minimum tax inequity. They have made few modest additions with broad benefit like the 10-percent bracket but showered their real attention, their affection, and huge sums of money on those who need help the least. In the process, the \$5.6 trillion surplus inherited by this administration has evaporated, to be replaced by \$2 trillion more in additional national debt.

In the meantime, the alternative minimum tax, signed into law by Republican President Richard Nixon to ensure that the richest of Americans, who used tax shelters, pay at least some income tax, has morphed into a tax on millions of Americans who are caught because they pay their State and local taxes and are raising their families but largely leaves the most wealthy untouched.

Without extraordinary action, over the course of the next 3 years the alternative minimum tax will ensnare 32 million families, virtually every two-worker middle-class family with children. It won't bother the hedge fund manager or the NBA superstar but it will tax the teacher married to the firefighter with two kids. Because a tax shelter now means paying your local property and income taxes but does not include the tremendous tax advantage from capital gains, it won't hit the high-tech billionaire but will hit the postal worker and the nurse with three teenage kids at home.

The zeal to make permanent these tax changes has left the needs of tens of millions of Americans at risk. Indeed, the number one priority of the administration and the Republicans in Congress for taxation would not only make a true reform of the alternative minimum tax prohibitively expensive, it would rely on the ever-widening reach of the alternative minimum tax to finance their schemes.

On this day that millions of Americans are filing their tax returns and 4 million are paying the

mutated, unfair alternative minimum tax, it is time to have that critical national debate on taxes in honest terms:

Should we tax people who work at jobs more than people whose money works for them?

Do we care about reducing the ability of some very privileged people to escape taxation?

What is our priority for tax reform? Is it to freeze the patchwork of special interest provisions over the last 6 years? Or to prevent 32 million families from an unjust alternative minimum tax, and then paying billions more to accountants just to calculate the damage?

I would hope that this is the last year that this unjust tax is used to provide unnecessary tax benefits for those who need them the least at the expense of those truly in need of tax relief.