

AMERICANS FOR TaxFairness

March 20, 2013

Dear Senator:

On behalf of the more than 275 national and state organizations that comprise Americans for Tax Fairness, I write to express our support for the tax revenue provisions in the Budget Resolution drafted by Budget Committee Chairman Patty Murray.

The Murray budget proposes \$1.85 trillion in additional deficit reduction over the next 10 years, with \$975 billion from new tax revenue and the same amount in spending cuts to replace the across-the board sequestration cuts and to reduce the deficit.

While this feels like a bold proposal to those who support no additional tax increases, it is relatively modest in scope. For example, House Speaker Boehner proposed raising at least [\\$800 billion by closing tax loopholes](#) during his budget negotiations with President Obama last year. And under the Murray budget, federal revenue would reach just 19.8% of GDP by 2023, about what it was in 2000 under President Clinton when there was a budget surplus. Many budget experts believe a lot more revenue is needed today as the baby-boom generation has begun to retire, thereby putting greater demand on health care programs and other elderly services.

The Murray budget proposes to raise revenue by “closing loopholes and cutting wasteful spending in the tax code that benefits the wealthiest Americans and biggest corporations.” We agree wholeheartedly, as do the American people in poll after poll. Numerous options for raising more revenue are explained in this paper prepared by [Americans for Tax Fairness](#).

The average federal tax rate for the top 1 percent of households declined from 35.1 percent to 28.9 percent between 1979 and 2009, according to the [Congressional Budget Office](#), as income inequality skyrocketed. The share of federal revenue from the corporate income tax plummeted by nearly 70 percent in the last 60 years, according to the [Office of Management and Budget](#), while corporate profits have soared. Profitable companies such as [General Electric, Verizon, Boeing and more than two dozen others](#) paid no federal income taxes in the last four years. Billions of dollars in taxes go uncollected each year because U.S. corporations and the wealthy are able to shelter their profits in overseas tax havens, providing an incentive to ship jobs overseas.

It is time to ask the wealthy and big corporations to pay their fair share, otherwise the middle class and small businesses get stuck with the tab. The Murray budget would require a modest sacrifice of those who have already received the biggest tax breaks. We urge you to support it.

Sincerely,



Frank Clemente
Campaign Manager