

Washington, D.C. - U.S. Rep. David Price (NC-04) said today that events over the past week in the U.S. House prove once again that Republicans in Congress have no interest in responsible budget policies. After approving a \$70 billion tax cut heavily favoring wealthy Americans last week, which the President signed into law yesterday, the House passed its budget late last night, which included cuts to a number of vital domestic programs.

"Have my Republican colleagues completely forgotten that our nation is ridden with trillions of dollars in debt?" Price questioned. "Our nation is at war and our communities are counting on the support of the federal government to help them meet their needs. The President and this Congress are wrong to think that now is the right time to drain the treasury for the wealthy – a treasury that's broke in the first place because of years of irresponsible budgeting under Republican control."

The tax bill that President Bush signed into law yesterday extended tax cuts for investment income and raised the exemption level for the Alternative Minimum Tax (AMT). Price said the modification of the AMT tax bracket was important so that many middle class families would not face a large increase in their tax burden this year. But he questioned the appropriateness of cutting taxes on capital gains and dividends, which mainly benefits the wealthiest taxpayers and does little to stimulate the economy.

"Your average household in the Triangle is going to get a tax break of around \$47, which may pay for a tank of gas these days," Price said. "But the average person earning over \$1 million a year is getting almost \$43,000 back from the government. Nearly ninety percent of this \$70 billion tax cut is going to those who earn more than \$100,000 a year," Price added. "We're already in debt as far as the eye can see. Who's going to pay for all this?"

Price said that Congressional budgeters were attempting to pay for the tax cuts by slashing funding to many domestic priorities, including student loan assistance, veterans' health care, education, and environmental protection. However, the budget cuts fall short of paying for the tax cuts, and instead further increase the national debt.

A hidden provision in the Republican budget resolution would raise the debt ceiling from \$8.965 trillion to \$9.618 trillion, an increase of \$653 billion. Price said passing this provision will allow President Bush to accumulate more debt in his eight years in office than the first 41 presidents

throughout 200 years in our nation's history – combined.

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