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WASHINGTON, D.C. - Congresswoman Anna G. Eshoo, D-Palo Alto, voted today for legislation to prevent nearly 109,964 families in the 14th Congressional District from paying higher income taxes next year under the alternative minimum tax (AMT). The House approved H.R. 3996, the Temporary Tax Relief Act of 2007, by a vote of 216 to 193.

The AMT was enacted in 1969 to ensure that taxpayers with very high-incomes could not escape paying taxes through loopholes and tax shelters. Because it was never indexed for inflation, the AMT threatens millions of middle-class taxpayers each year with a growing tax burden.

"The AMT is a tax run amok because it now targets middle-class families who were never intended to be subject to this tax," Eshoo said. "While this bill isn't the ultimate solution, it will reduce or eliminate taxes under the AMT for 109,964 families in my district and would prevent an additional 15 million across the country from having to pay the AMT next year."

Families in the 14th District are especially vulnerable to the AMT. The District had the third-highest percentage of taxpayers subject to the AMT in 2005 (11%) and the third-highest additional tax liability (\$7,951 per return).

H.R. 3996 also extends several tax provisions to enable working families to keep more of what they earn. The bill will:

- Provide 30 million homeowners who don't itemize their returns with a standard deduction for property taxes.
- Help 12.5 million families with children by expanding eligibility for the refundable Child Tax Credit.
- Benefit 11 million families by extending the optional deduction for state and local sales taxes.
- Help 4.5 million families afford college with a tuition tax credit for qualified education expenses.
- Promote innovation and high-paying jobs by extending the R&D tax credit for one year.

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