

October 18, 2005
Contact: Bob McIntyre

Bush Panel Set to Propose Permanent Huge Deficits & Major Tax Shift onto Wage-Earners

Early news reports about the upcoming report from President Bush's Advisory Panel on Federal Tax Reform indicate that the panel will propose a major tax shift away from capital income and onto wage-earners. In addition, the plan contemplates permanent extension of the revenue losses from Bush's previously enacted tax cuts past 2010, at a cost of \$7 trillion over the next two decades. This in turn will almost guarantee huge federal budget deficits for the future.

"The panel's upcoming tax proposals appear both to increase taxes substantially on most Americans and sharply increase future burdens on our children," said Robert S. McIntyre, director of Citizens for Tax Justice. "While we await full details, this approach looks a lot more like tax deform than true reform."