



Citizens for Tax Justice

EMBARGOED FOR RELEASE ON

THURSDAY, February 15, 2001 @ 10 A.M.

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PROPOSED TAX GIVEAWAYS FOR WEALTHIEST 1%

WOULD PAY FOR MEDICARE PRESCRIPTION COVERAGE FOR SENIORS

Seniors say “Fill the prescriptions of our sick, not the bank accounts of the rich”

President George W. Bush’s proposed tax breaks for the best-off one percent of Americans would cost more than the total amount of money needed to pay for a comprehensive Medicare prescription drug benefit for all seniors, according to a study released today by Citizens for Tax Justice and USAction.

“Our choices are stark. Do we want to give 39 million senior citizens the respect they deserve with prescription drug coverage under Medicare? Or do we give \$774 billion in tax giveaways to a million millionaires?” asked William McNary, President of USAction.

The report, *Bad Policy, Bad Medicine*, reveals that over a ten-year period the wealthiest one percent of Americans would receive \$774 billion in tax breaks—while a fully funded comprehensive Medicare prescription drug benefit for America’s seniors would cost a net of \$738 billion.

“Last year, Dick Cheney famously claimed that he had to vote against Head Start in the early 1980s because he had voted for the 1981 Reagan corporate and upper-income tax cuts instead,” noted Robert S. McIntyre, director of Citizens for Tax Justice. “Well, we’re seeing the same thing again this year. President Bush says we can’t afford anything but a miserly prescription drug plan because he wants to use all available resources for tax breaks for the rich.”

“A narrow slice of the population—the wealthiest one percent, whose incomes average over one million dollars—would receive 43 percent of the total Bush tax cuts,” McIntyre pointed out.

Seniors have been the victims of skyrocketing drug costs and have greater out-of-pocket prescription costs as a percentage of their incomes than any other group.

“My wife and I pay \$18,400 annually for prescription medication and supplemental premiums,” said Bill McHugh, a retiree from Narberth, PA. “This is an enormous hardship. I’m a Republican,” noted McHugh, “and though I would realize some savings from this tax cut, I think the President has wrongly prioritized his agenda. He should pass a comprehensive Medicare prescription benefit, rather than giving a huge tax windfall to millionaires.”

“President Bush has made his choice clear. He favors a huge tax cut for the wealthy and an inadequate prescription drug plan that will only help one percent of seniors,” said John Marvin, Regional Director of the Association of Retired Americans and board member of

USAction. “Today we are calling on Congress to put first things first. Take care of filling the prescriptions for our seniors instead of filling the bank accounts of one million millionaires.”

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