

**Transcript of Floor Statement by Senate Budget Committee Chairman
Kent Conrad (D-ND) Explaining Vote Against Unoffset AMT Patch
December 6, 2007**

I thank the Chairman of the Finance Committee. I thank him for his leadership and the leadership of the Senator from Iowa in attempting to address the problem we confront.

I rise today as chairman of the Budget Committee in direct contradiction of my colleague on the other side to say: When nobody anticipated using these revenues: Really?

How it is then that all this money was in the President's budget? All this money was in every budget printed by Republicans and Democrats. The only way any of these budgets balance is with this revenue.

Now, I would acknowledge it makes absolutely no sense to tax these people with the alternative minimum tax. It was never adjusted for inflation. That would not be a fair outcome. But it ought to be paid for. The revenue ought to be replaced, either by spending cuts or by other revenue.

Because if we do not pay for it, we are going to borrow it. Where are we going to borrow it? Well, we are going to borrow about half of it from abroad, most of it from the Chinese and the Japanese.

So while I very much recognize the difficult situation we are in, and I applaud the chairman of the Finance Committee and the ranking member for grappling this, with trying to find a way to handle this problem, I cannot support providing this measure without it being paid for.

That is what pay-go is about, to require that any new spending or new tax cuts or other revenue changes be offset. If we do not do it, we have to borrow it. We increasingly have to borrow it from abroad. That is not a wise course to pursue.

Again, I recognize the extremely difficult situation we are in because some will resist doing anything other than allowing AMT to be eliminated for this 1 year without an offset. I, personally, think that is a mistake. I think it is a mistake for the country. I think that money ought to be replaced, it ought to be offset.

Again, when people say: Well, nobody ever anticipated this revenue, that is not the case. Everybody who wrote a budget around here anticipated it. Every single budget, including the President's, including every budget written by Republicans or Democrats, included this revenue.

While it would be a serious mistake to allow the AMT to go forward and hit 23 million American families, I believe the answer is to pay for it.