

PATTY MURRAY'S WASHINGTON VIEW

U.S. Senator Patty Murray's Weekly Report to the People of Washington –December 15, 2006

Helping to Deliver Sales Tax Deductibility to Washington State Taxpayers

Package of tax breaks that help Washington state families, teachers, and students passes Senate

Last Friday, as the 109th Congress came to a close, I voted to extend the critically important sales tax deduction that so many Washingtonians benefit from. Last year alone, the sales tax deduction saved Washington state families \$500 million. The bill passed the Senate 79-9 and is now awaiting the President's signature.

This deduction is a way to provide tax fairness to the people of Washington state. It is also a way to stimulate our economy and create jobs that will improve the lives of our state's residents.

I have worked with other members of the Washington state delegation to lead the effort to persuade the Republican leadership to pass an extension of the sales tax deduction. On October 19th, I joined with Senator Maria Cantwell (D-WA) and Congressman Brian Baird (D-WA) to write to Senate Majority Leader Bill Frist and House Speaker Dennis Hastert to request that the sales tax deduction be the first order of business after Congress reconvened in November. The House and Senate leadership finally brought the extension up for a vote last Friday.

The leadership's failure to bring up the sales tax deduction in a timely manner has left many Washington state residents in the dark. Many have refrained from making major purchases for fear that the deduction wouldn't be available to them. I urge Washington state taxpayers to pay close attention to the availability of the sales tax deduction which could provide significant savings.

The delay in passage has caused the IRS to circulate tax forms that do not contain the tables and worksheets Washingtonians need to calculate their sales tax deduction. The tax forms do include cautionary language that direct taxpayers to the IRS website for more information.

The IRS is directing taxpayers to look for upcoming information that will be posted to their website at: www.irs.gov

**Information will not be posted until after the sales tax deduction legislation is signed by the President. That signing is expected to take place sometime next week.

Other Important Tax Credit Extensions:

The legislation passed last Friday also includes important tax breaks that teachers use to improve their classrooms, students use to afford tuition, and an extension of the research and development tax credit. The classroom expense deduction allows teachers who use their own money to purchase materials for their classroom to deduct the tax on those purchases up to \$250. The college tuition deduction will allow Washington state students to deduct a portion of their overall tuition. The research and development tax credit extension will provide incentives to Washington state companies to promote innovation and ensure that they remain competitive in the global economy.

Workforce Development: \$4 Million in Grants goes toward WA Community College Job Training Programs

Grants will go to Community Colleges in Bellingham and Everett

On Tuesday, I was pleased to announce that \$4,145,400 in federal grants will go toward workforce training programs at community colleges in two counties in our state. The grants will go to Everett Community College in Snohomish County and to Whatcom Community College and Bellingham Technical College in Whatcom County. The grants were awarded as part of the Department of Labor's "Community-Based Job Training Grants" program.

These grants will go toward giving workers the skills they need to work in industries critical to their communities. In Snohomish County, this funding will develop workers' manufacturing skills so that they are suited to work in the area's aerospace and trade dependent industries. In Bellingham, these funds will provide new healthcare skills to meet the new demands of the area's growing population. This funding will assist hundreds of Washington state residents get trained and employed.

The "Community-Based Job Training Grants" program was set up to meet the changing needs of American industries in the global economy. Many American businesses in high growth, high demand industries are facing real problems in their search for workers with the right skills to succeed. This highly competitive grant program focuses on building the capacity of community colleges so that they can train workers with these newly required skills. The Whatcom Community College and Bellingham Technical College programs will receive \$2,145,400 while the Everett Community College program will receive \$2,000,000.

VETERANS NEWS

FOUNDATION WILL BRING FREE HOUSING FACILITY TO SEATTLE

On Tuesday, I applauded the decision by the Fisher Foundation to build a new Fisher House on the grounds of the VA Medical Center in Seattle. A Fisher House is a facility that provides free housing for the families of Department of Veterans Affairs (VA) patients.

Having a Fisher House here means that families will be able to focus their energy on providing support and care during a critical time. I commend the Fisher House Foundation for their generosity in providing this facility to military families. Construction is scheduled to begin in 2007.

Read more:

<http://murray.senate.gov/news.cfm?id=266839>

STEP FORWARD FOR VA'S AMERICAN LAKE FACILITY

Last Friday, the U.S. Senate and House of Representatives voted to authorize \$38 million to build a new Department of Veterans Affairs nursing home at the VA's American Lake facility in Tacoma. The American Lake facility must be replaced due damage it suffered during the 2001 Nisqually earthquake. The facility has a series of seismic, fire safety and life safety hazards. This authorization means that help is on the way for the veterans who have been living in an unsafe building for far too long.

Read more:

<http://murray.senate.gov/news.cfm?id=266811>

To subscribe, unsubscribe, or change your email address, visit: <http://murray.senate.gov/updates>