



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: Tax reform panel's final report
Da: Tuesday, Nov. 1, 2005

Sen. Chuck Grassley, chairman of the Committee on Finance, with Senate jurisdiction over taxes, today made the following comment on the final report of the President's tax reform panel.

"There's almost universal agreement that our tax code is too complex. The tax form instruction book is probably the most unwelcome piece of mail many taxpayers get. The complexity means taxpayers can't be confident that they've received all the breaks coming to them, or that they haven't paid more than they owe. They need more confidence in the system, and the tax panel's product should promote a lot of discussion of how to build that confidence.

"I appreciate the tax panel's months of study and analysis. It seems the panel members were apolitical in their work, and that's good. Some of their recommendations are bound to be politically unpopular. Cutting the home mortgage interest deduction is an example. But it's important to have a comprehensive starting point that will get everyone talking and thinking. We've made progress on tax simplification before. The Joint Committee on Taxation put out a comprehensive study on ways to simplify in 2001, and we've enacted some of those recommendations. A key change is establishing a uniform definition of a child for several tax provisions. There used to be different definitions for each provision. Changes like that just make sense, and they make life easier for the taxpayers. We need a lot more of those common-sense simplifications. I plan to have Finance Committee hearings on the tax reform panel's report as soon as possible and look forward to recommendations from the Administration in the coming weeks."