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Press_Office@finance-rep.senate.gov

Floor Statement of U.S. Senator Chuck Grassley of Iowa
Ranking Member of the Committee on Finance
Senate Debate on the AMT Patch Amendment to the Omnibus Appropriations Bill
Tuesday, December 18, 2007

Mr. President. When we were debating the Tax Relief Act of 2005, the other side forced a series of debates on the same subject matter. We had the same debate three times and it culminated on Groundhog Day in 2006. That was February 2, 2006. Despite numerous votes and debate in each round, we went through essentially the same debates and votes three times.

I have two charts that will remind folks of that exercise. My first chart depicts a ground hog. For those of you that see the groundhog, you'll recall that the centerpiece of that debate involved the alternative minimum tax (AMT) patch. During the first groundhog debate, the bipartisan majority had to prove that we meant business on the cornerstone of that bill which was the last AMT patch that was enacted. I'm referring to the AMT patch that protected about 15 million families. The bipartisan majority I'm pleased to remind everyone, stuck to our guns in the conference on that bill. We made sure the AMT patch was one of the cornerstones of the conference agreement. So, despite the extended debate, what we said would happen, did happen.

Now, Mr. President, the next Groundhog Day is February 2, 2008. That's 45 days from now. That may seem like a long time, but, given recent history, I'm worried. Here's why. About 47 days ago, the two tax writing committee chairmen, my friends Congressman Rangel and Senator Baucus, and the ranking members, Congressman McCrery and myself, wrote Secretary Paulson and Acting IRS Commissioner Stiff and pledged to get an AMT patch bill to President before the end of the year.

We wrote the letter for a couple of reasons. The first reason is to spare 23 million middle income families from an average tax increase of \$2,000 per family. As everyone now agrees, this monster tax was not meant to hit 23 million middle-income families. The second reason was to assure the Secretary and Commissioner that we would do everything possible to minimize delays in refunds for another 27 million families and individuals. After pledging to get mutually agreeable AMT patch legislation to the President in a form that he could sign, we are instead engaged in this Groundhog Day type of exercise. We're essentially having the same debate and will go through the same votes the Senate went through a couple of weeks ago. In other words, the floor debate tonight illustrates my worry that we're repeating the Groundhog Day exercise. I ask unanimous consent to place a copy of that letter in the record.

So, we're not quite there yet, but the way we're going we might not get this year's AMT patch done until the next Groundhog Day. Let me bring in another chart to expand on this point. I have next to me a portrait of Punxsutawney Phil. In thinking of Phil and the weather report he will provide in 45 days, I also thought of the popular film titled "Groundhog Day." That movie stars Bill Murray, in which a man relives the same day, Groundhog Day, over and over again. This film has taken on greater significance for me as I seem to be in a similar situation. More than just a sense of Déjà vu, I feel like I am reliving a past experience. We are going through the same debate we had a couple of weeks ago. We're on a different bill and the amendment has different offsets, yet I seem to remember already having this debate.

So, Mr. President, instead taking the next steps and focusing on what we said we'd done in the letter and find a mutually agreeable resolution on the AMT patch, the House Democratic Leadership is insisting that the Senate repeat the same debate and vote of last week.

At 5:01 p.m. on Tuesday, December 4, 2007 we took up H.R. 3996: The Temporary Tax Relief Act of 2007. For several hours on Tuesday, Wednesday, and into Thursday, we debated this bill. The final vote on final passage came at 7:25 P.M., Thursday evening, the 6th of December. According to the Secretary of the Senate, 93 of us were here for that vote, so I must not be the only one reliving that experience.

As we consider the senate amendment to the omnibus bill, I have to ask, "Why are we still here?" "Didn't we already go through this exercise?" "Aren't we finished with Senate debate?"

In the face of the urgent need to enact an AMT patch, does the House Democratic Leadership really want the Senate to reenact recent debates and resuscitate old talking points? Our un-offset AMT patch bill already passed with the support of 88 of us. I ask unanimous consent that a copy of that roll call vote be inserted in the record. While I believe this legislation is extremely important and will debate it for as long as necessary, I question the necessity of going through a process that resulted in overwhelming bipartisan passage of the same bill just about two weeks ago.

So, Mr. President, that's my first point: this is a curious exercise. It is an exercise with no apparent purpose other than delay. Is the delay on the part of the House Democratic Leadership important? Why doesn't the House send the amended House bill, which cleared this chamber by a vote of 88-5, to the President? President Bush will sign that bill. That bill does meet the mutually agreeable criteria of the tax writers' letter. The amendment before us, just like the prior House bill, does not meet the mutually agreeable criteria.

Nearly all House and Senate Republicans have a problem with this amendment and its predecessor that failed in the Senate. The problem is not necessarily with the offsets themselves. Some of them might be acceptable tax policy to myself and others on our side. The debate and resistance on our side rests with a much bigger principle. It's about accepting the notion that the unintended reach of the AMT should be permitted unless we find offsetting revenue from other taxpayers. It is the use of the AMT as an open-ended revenue-generating machine that creates problems on our side.

So, Mr. President, I'm going to point to another chart to illustrate this debate. It is a chart of a very fine horse. The chart depicts Trigger and his rider, Will Rogers. Trigger is a fine horse, but he is dead, very dead. Trigger is so dead that he is stuffed and resides in a museum.

This debate is the practice of beating a dead horse. It would be like tourists taking swipes at Trigger. Now, everyone knows beating a dead horse is a waste of time. That's what we're doing here.

We need to stop beating this dead horse. We need to show our good friends in the House Democratic Leadership that they need to stop reviving the dead horse of an offset AMT patch. It is a dead horse. Let's stop beating it. Vote against this amendment.

After this exercise is done, I urge our friends in the House Leadership to pass the un-offset AMT patch bill we sent to them several days ago. Think of the 23 million families that will face a tax increase of \$2,000 per families. Think of the 27 million families and individuals who will face even longer delays in their refunds starting next year. Think of these hard working taxpayers. Stop beating the dead horse and do the Peoples' Business.

I yield the floor.