



NEWS FROM

SCOTT GARRETT

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Congressman Scott Garrett Re-introduces Bill to Provide Middle Class Tax Relief

Legislation Ends Unfair Practice for Taxpayers Under AMT

WASHINGTON, D.C. – Today, Congressman Scott Garrett (NJ-05) re-introduced a bill that will provide significant tax relief to working middle-class Americans. Garrett’s bill, which he originally proposed in 2004, moves to index the parameters of the Alternative Minimum Tax (AMT) to take into account inflation when factoring this tax for American workers. The legislation will also allow those who would still fall subject to the AMT to be able to deduct their state and local taxes from the AMT.

“We already know that the AMT is one of the most serious problems in the American tax code,” said Garrett. “Because the AMT is not indexed for inflation it forces more and more Americans each year to pay higher taxes, and Congress needs to fix that.”

According to the Congressional Budget Office (CBO), the number of taxpayers subjected to the AMT is expected to grow rapidly in coming years to impact about one-fifth of all taxpayers in 2010. One reason for this growth is the effect of this tax not taking into account inflation, as the regular income tax system does. As a result, since 1990 the number of tax returns subject to AMT has increased ten-fold, and the rate of increases in the number of AMT returns is continually rising, causing for a greater number of taxpayers to be subject to the AMT due to bracket creep.

Garrett concluded, **“During my first term in the House of Representatives, I kept a promise to my constituents that I would fight for tax relief, and I’m continuing that fight in the 109th Congress. This tax relief legislation will put more money back into the hands of American workers to further create jobs and promote economic growth.”**

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