

THOMAS M. REYNOLDS
26TH DISTRICT, NEW YORK

COMMITTEE ON
WAYS AND MEANS
SUBCOMMITTEE ON TRADE

SUBCOMMITTEE ON
SELECT REVENUE MEASURES

DEPUTY REPUBLICAN WHIP

Congress of the United States
House of Representatives
Washington, DC 20515

WASHINGTON OFFICE:
332 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5265

DISTRICT OFFICES:
500 ESSJAY, SUITE 260
WILLIAMSVILLE, NY 14221
(716) 634-2324

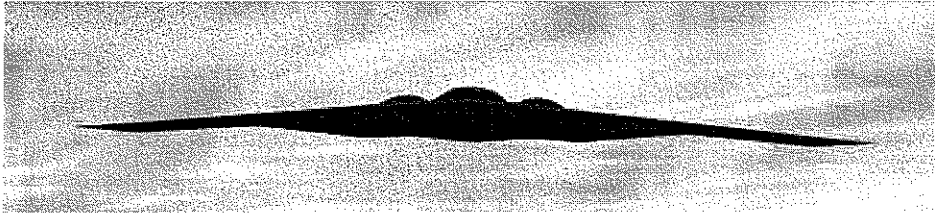
1577 WEST RIDGE ROAD
ROCHESTER, NY 14615
(585) 663-5570

SUPPORT CONTINUED MIDDLE-CLASS A.M.T. RELIEF -- WITHOUT TAX INCREASES

THE "STEALTH TAX" RELIEF EXTENSION ACT"

DEADLINE FOR ORIGINAL COSPONSORS: FEBRUARY 12th

February 2, 2007



Dear Colleague:

It's been called the "stealth tax," a "ticking time bomb for the middle class," and even the "Darth Vader of the tax code." It's the individual alternative minimum tax -- the AMT -- and it has middle-class America squarely in its sights.

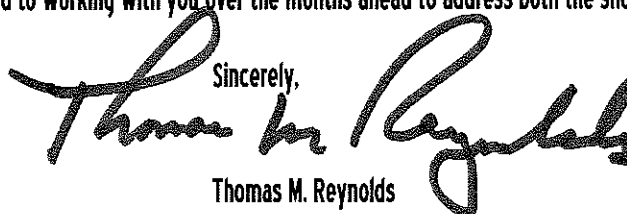
As many of you know, the AMT was originally enacted to prevent a small handful of taxpayers with very high incomes from paying little or no federal income tax. However, because this stealth tax was never adjusted for inflation, it's now sneaking up on more and more middle-class taxpayers each year as they climb the income ladder. In fact, without further action by Congress, more than 20 million additional middle-class taxpayers will fall victim to the stealth tax this year, and some 39 million taxpayers will pay AMT by 2017.

Over the weeks and months to come, my Ways and Means Committee colleagues and I will renew our ongoing dialogue about how best to address this challenging issue for the long term. To achieve a workable, permanent solution to an issue of this magnitude, we will all need to roll up our sleeves and work together on a bipartisan basis. As a member of the Subcommittee on Select Revenue Measures, I look forward to the opportunity to engage in a serious, bipartisan discussion on the AMT, and I am encouraged that members of both parties appear committed to seeking a bipartisan consensus on a long-term fix.

As we confront the AMT's long-term challenges, we face a serious short-term challenge as well. You may recall that the temporary AMT relief enacted into law as part of last year's tax reconciliation bill expired on December 31, 2006. As the lead sponsor of the House's middle-class AMT relief bill for 2006 -- the "Stealth Tax Relief Act" (H.R. 4096, 109th Congress) -- I was very pleased that Congress was able to prevent a massive stealth tax increase on millions of Americans last year. I was especially pleased that we were able to do so without raising taxes.

As we continue working toward a permanent AMT solution, I believe we must also begin laying the groundwork for another short-term extension of that temporary relief. At the very least, we should extend last year's relief for another year, through December 31, 2007. And, as we did last year, we should extend this critical relief without raising taxes.

To that end, I will soon be introducing the "Stealth Tax Relief Extension Act," legislation that would extend through 2007 the temporary, middle-class AMT relief that Congress enacted last year -- without raising taxes. To cosponsor, please have a member of your staff contact Dave Olander, my Tax & Policy Counsel, at 5-5265. I look forward to working with you over the months ahead to address both the short-term and long-term challenges of the AMT.

Sincerely,


Thomas M. Reynolds
MEMBER OF CONGRESS