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THE HOUSE DEMOCRAT BUDGET

REAL TAX HIKES, REAL PEOPLE

This week, the House will debate the Democrats' budget for fiscal year 2008. If passed, this budget will impose the largest tax increase in American history – nearly \$400 billion over 5 years – mainly to finance their immense new spending.

Effects of Specific Democrat Tax Hikes

Raising the 10% Tax Rate Bracket to 15%

- More than 5 million individuals and families who previously owed no taxes would become subject to the individual income tax in 2011 if Democrats are successful in raising the 10% tax rate bracket to 15%, and reducing or eliminating other low-income tax benefits.

Eliminating Marriage Penalty Relief

- 23 million taxpayers would see their taxes increase, on average, by \$466 in 2011.

Cutting the Child Tax Credit in Half

- 31 million taxpayers would see their taxes increase, on average, by \$859 in 2011.

Sample of Taxpayer Fallout

Elderly Couple with \$40,000 in Income

- This elderly couple's tax bill would rise by 156% in 2011 – from \$583 to \$1,489.

Family of Four With \$60,000 in Earnings

- This family's income tax bill would rise from \$3,030 to \$4,893 in 2011 – that's an increase of more than \$1,850, or 61%.

Single Parent with Two Children and \$30,000 in Earnings

- This single parent would see her tax benefits decline 67% in 2011. With tax relief, this single parent qualifies to get back \$2,414. With the Democrats' tax hike, this single parent would only get back \$799.

EVERY Working American Would be Affected by Democrats' Tax Hike

- 115 million taxpayers would see their taxes increase, on average, by \$1,795 in 2011.
- 83 million women would see their taxes rise, on average, by \$2,068.
- 48 million married couples would incur average tax increases of \$2,899.
- Taxes would increase, on average, by \$2,181 for 42 million families with children.
- 12 million single women with children would see their taxes increase, on average, by \$1,082.
- 17 million elderly individuals would incur average tax increases of \$2,270.
- Taxes would rise, on average, by \$3,960 for 26 million small business owners.
- Over 5 million taxpayers who previously owed no taxes would become subject to the individual income tax as a consequence of the sunset.

