

**Statement from Mr. Hastings of Washington**  
**H.Res. 1212/H.R. 6049**

Mr. Speaker, I want to thank my colleague from New York, Mr. Acuri, for yielding me the customary 30 minutes, I yield myself such time as I may consume, and I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, this rules marks 60th time that the leaders of this Congress have totally closed down the House floor by refusing to allow any Member of this House to offer an amendment, and have it debated and voted upon.

This is more closed rules than any Congress in the history of our country – which is exactly the opposite of the promise that Democrat leaders made to the American people to run the most open and honest House ever.

The House is not open when no amendments are allowed to be offered and when a Republican alternative is blocked from even a minute of debate and denied a vote.

And it is not the most honest House when Rules Committee Democrats block the Republican plan to prevent tax increases from being considered using the excuse that it doesn't meet House PAYGO rules, especially when it was just one week ago that these same Democrats were blatantly violating PAYGO rules by billions of dollars in the Farm Bill.

Under this liberal Congress, it's only ok to break the rules when you are increasing government spending by billions, but not when preventing tax increases on the American people.

**The Republican plan that Democrats refuse to allow the House to vote upon would provide:**

- **one year of relief for the Alternative Minimum Tax or AMT**
- **a two year extension of the state and local sales tax deduction**
- **two more years for the R and D credit**
- **two years for the tuition tax credit**
- **and extensions for many more expiring tax provisions**

**This Democrat bill does absolutely nothing to fix the AMT tax for 2008. 21 million middle-class individuals will pay an additional \$61.5 billion dollars in higher taxes next April if the AMT isn't fixed. That's an average of over \$2,800 dollars per affected taxpayer. The Republican plan fully fixes it – but it's not allowed to even be considered.**

**Instead, the House is given one choice – and that's a fool's bargain to raise taxes by \$54 billion dollars in order to simply extend existing low-tax policies that have expired.**

**Mr. Speaker, current provisions in tax law are expiring and Congress needs to act to keep these taxes from going up, but that's no excuse to raise other taxes by billions of dollars.**

**I and many of my Republican colleagues support a great number of the tax relief extensions included in this bill, including the state and local sales tax deduction, the research and development tax credit, education and tuition tax credits, tax credits for teachers, and several renewal energy tax credits.**

**These low-tax policies have been law for years, and they've been extended multiple times without raising taxes.**

My Democrat colleagues will try to defend their tax-raising ways by invoking the PAYGO rules they ignored just last week. They will claim that this is just being responsible, that it's about not increasing the national debt, that it's about the government living within its means.

If only that were true, but it's not. All you have to do is read the final budget plan for next year that the House will vote on later today. Their budget reveals this Congress for what they truly are: old-time, tax-and-spend liberals.

In their budget, spending increases by \$250 billion dollars over the next five years. They increase the debt limit in 2008 by \$654 billion, which is the largest increase in history. They raise taxes by \$683 billion, which is the largest amount in American history.

More spending. Higher debt. Record tax increases. That's the plan of this liberal Congress.

Now, my Democrat colleagues will also try to claim that the tax increases that are in this bill aren't really that bad.

**But the facts are facts – and the facts are that this bill unnecessarily increases taxes by over \$50 billion dollars.**

**And that's just the beginning – remember that their budget would increase taxes by over two-thirds of a trillion dollars – if they aren't raising your taxes in this bill, they'll get you next time.**

**When this liberal Congress imposes the largest tax increase in American history to pay for more government spending, don't think you can escape their tax and spend ways.**

**Their tax increase plans include cutting the child tax credit in half, reinstating the marriage penalty and the death tax, and a tax increase on every single taxpayer. It would even levy taxes on low-income workers who currently pay none.**

**But there is ray of sunshine in this tax raising bill – a newly created tax break – one that will put a big smile on some faces in this country – it's worth over \$1.5 billion dollars – the only problem is that this new tax break is only for trial lawyers!**

**So the only people who will be smiling are trial lawyers and the Democrats that they give tens of millions of dollars of campaign contributions to each year.**

**Under this bill, the American taxpayers will be subsidizing speculative lawsuits by trial lawyers to the tune of \$1.5 billion dollars.**

**This special interest tax break will allow trial lawyers to make special arrangements that essentially allow them to gamble on lawsuits – where they get paid on a contingency basis if they win. Meanwhile, taxpayers will be footing the bill for trial lawyers writing off the expenses of conducting these sue-them-and-see-what-we-can-win-lawsuits.**

**Count me among those that believe we already have too many lawsuits in this country and that we shouldn't be inventing new special tax breaks that may, and probably will, encourage more lawsuits.**

Our justice system can operate fairly, and has done so for many years, without having to give special tax treatment to trial lawyers.

Finally, M\_\_. Speaker, I want to specifically mention the extension of the state and local sales tax deduction that's included in this bill.

**For nearly 20 years, Americans who paid state income taxes could deduct those taxes from their federal tax bill while Americans who paid state sales taxes but no income tax weren't allowed to.**

**In 2006, the Republican Congress restored the sales tax deduction after years of bipartisan effort from the congressional delegations of the affected states, including my home State of Washington.**

**That initial reinstatement of the deduction was for two years, 2004 and 2005. In 2006, the Republican Congress extended the sales tax deduction for two more years, 2006 and 2007.**

**The deduction has now expired and does not exist for this year, 2008.**

**Efforts last year to extend the deduction and ensure it didn't expire were blocked by Democrat leaders.**

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**I regret that the extension provided for the sales tax deduction in this bill is for just one year only. This is step backwards. This deduction has been extended two years each time in the past and it should be extended two years now. Otherwise, we face it expiring again in about six months from now.**

**The bipartisan Senate bill introduced last month by the Chairman and Ranking Member of the Finance Committee includes a two year extension for the sales tax deduction.**

**The Republican plan that House leaders and the Rules Committee blocked from being considered and debated on the House floor provided a two year extension.**

**An amendment filed with the Rules Committee by Mr. Brady of Texas, which also would have extended the deduction for two years, but that too was blocked by the Rules Committee from being debated by the House.**

**It's very unfortunate that this bill moves sales tax deduction fairness backwards – not forwards.**

**Taxpayers in income tax states have a permanent deduction, and the taxpayers in sales tax states deserve equal treatment. The sales tax deduction should be made into permanent law.**

**At the very least, taxpayers in sales tax states deserve the certainty of a two year extension for tax years 2008 and 2009.**

**What is even more upsetting is that this bill could have provided a two-year extension.**

**The over \$1.5 billion dollar cost of giving trial lawyers a new tax deduction could have instead allowed for another year of sales tax deductibility.**

**This bill chooses to create a new billion plus dollar tax cut boondoggle for trial lawyers over tax fairness for the millions of residents of Washington state, Florida, Texas, Tennessee, Nevada, South Dakota and Wyoming.**

**I've supported every bill that's passed this House to reinstate and extend the state sales tax deduction, but none of those bills held sales tax fairness hostage to billions in tax increases.**

**Restoring and continuing the state sales tax deduction is a matter of fairness. The residents of sales tax states shouldn't have their fair treatment conditioned upon passing huge tax increases.**

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The rule that is currently before the House and the underlying bill reveal this Congress for what it really is.

The rule is totally closed and does not allow debate or a vote on any amendments or an alternative Republican plan. It violates Speaker Pelosi's promise to the American people to run an open and honest House.

The bill itself is just the opening act of a move to impose the largest tax increase in history on the American people.

Under this liberal Congress, the only tax bill allowed on the House floor is one that will raise taxes.

Under this liberal Congress, tax relief is a myth and tax increases are a certainty.

Under this liberal Congress, Americans will be sending more and more of their hard earned money to Washington, D.C. so this liberal Congress can increase spending and the size of the federal government.

My colleagues should oppose this closed rule and this tax increase bill.

We should demand a clean tax relief extension bill that doesn't include new tax breaks for trial lawyers and over \$50 billion dollar tax increases.

This will never pass the Senate and it will never be signed into law.

Raising taxes right now on the American economy is simple the wrong thing to do.

Mr. Speaker, I reserve the balance of my time.