

Congress of the United States
House of Representatives
Washington, DC 20515-2106

Support the Tax Equity and Middle Class Fairness Act of 2011

Dear Colleague:

Addressing our budget deficit and ensuring our country remains competitive in the global economy means that we must scrutinize the entire budget, including tax expenditures.

As you may know, tax expenditures are subsidies, tax credits, deductions, exclusions, exemptions and special preferential rates for individuals, business and corporations.

Tax expenditures are hidden in the tax code in that once enacted they do not have to be reauthorized or included in annual appropriations legislation. Thus, tax expenditures are not transparent, are infrequently, if ever, evaluated for effectiveness and are not subject to the same scrutiny as direct spending, which is subject to annual performance measurement, budget review, and research by the Office of Management and Budget (OMB), the Congressional Budget Office (CBO), and congressional committees.

The Tax Equity and Middle Class Fairness Act of 2011 terminates nearly 30 tax expenditures that serve little or no public purpose, are poorly designed, or have not fulfilled their original intent. Ending these tax subsidies and giveaways would save over \$60 billion in the first year and nearly \$483 billion over the next 5 years.

The bill would also require the Government Accountability Office (GAO) to evaluate the effectiveness of all remaining tax expenditures in current law and report to Congress with recommendations on additional provisions to eliminate.

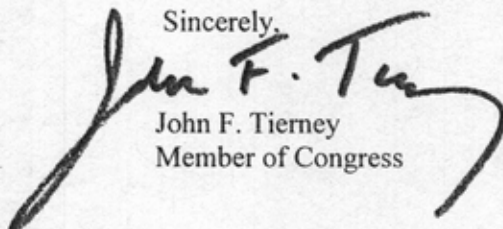
There is broad and bipartisan support for addressing tax expenditures from such entities as the Bipartisan Policy Center's Domenici-Rivlin Commission, Center for American Progress, Center for Budget and Policy Priorities, Citizens for Tax Justice, Economic Policy Institute, DEMOS, Simpson-Bowles National Commission on Fiscal Responsibility and Reform, among others.

We can achieve budget savings without slashing critical investments in job training and workforce development, health, education or community development programs on which working and middle-class Americans rely.

I urge your support for the Tax Equity and Middle Class Fairness Act of 2011.

If you would like to be an original co-sponsor of this bill or have further questions about it, please contact me or Kevin McDermott on my staff.

Sincerely,



John F. Tierney
Member of Congress