

## (November 9, 2007) Lipinski Provides Middle-Class Families with Tax Relief

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Votes to Protect More Than 82,000 Third District Taxpayers

From Alternative Minimum Tax (AMT) this Year

[Washington D.C.] - Today, Congressman Dan Lipinski voted in support of legislation that will protect 23 million middle-class families from being hit by the Alternative Minimum Tax and extend a number of popular tax provisions set to expire this year. This tax relief is fully offset by closing loopholes and eliminating narrowly targeted tax benefits enjoyed by a few millionaires and billionaires. Specifically, the legislation contains a provision to treat the "carried interest" received by investment fund managers as income rather than capital gains.

"For too long, hardworking families have struggled to keep pace with the rising cost of living," said Lipinski. "By passing this legislation to extend the AMT exemptions, we're putting money back in the pockets of working families to combat the growing economic insecurity gripping our nation."

The AMT was designed in 1969 to ensure that the wealthiest taxpayers are not able to avoid paying taxes by taking advantage of tax loopholes. Unfortunately, the AMT was not crafted to adjust for inflation, and has morphed from a "class tax" to a "mass tax." If no action is taken to fix this tax, 87,053 middle-class families in Illinois' Third Congressional district will be hit by the AMT on their 2007 taxes.

"By enacting this fix we are saving more than 82,000 families in the Third Congressional District from paying a tax they should not have to pay," said Lipinski. "This is a central issue of fairness for middle-class families and I am proud to fight for them."

In addition to providing AMT tax relief, this legislation would provide:

- Help for more than 12 million children through an expanded child tax credit
- Tax relief for 30 million taxpayers by providing a standard deduction for real estate taxes
- Help more than 4.5 million families cover the cost of education through the tuition deduction
- Tax relief for more than 11 million families by extending itemized deductions for State & local sales tax
- Relief for more than 3.5 million teachers who would be reimbursed for out-of-pocket expenses for their classrooms.