

Washington, DC - Twenty-three million American families would receive tax relief as a direct result of H.R. 3996, the Temporary Tax Relief Act of 2007, which the United States House of Representatives passed this afternoon. The legislation contains provisions that would provide Alternative Minimum Tax (AMT) relief to middle class families by increasing the AMT exemption to \$66,250 for joint filers and \$44,350 for individuals. In Texas's 20th Congressional District, this bill protects almost 15,000 families from experiencing an unfair tax increase next year.

H.R. 3996 also extends tax provisions that are set to expire next year, including the state and local sales tax deduction. This provision allows Texans, in the absence of a state income tax liability, to deduct their local sales taxes from their federal tax liability.

"This bill implements a fair tax policy that gives tax relief to the Americans who deserve it the most," said Congressman Charlie Gonzalez (TX-20). "By shielding millions of families from an unfair tax burden that is approaching next year, and by extending current provisions that provide Americans with necessary deductions and credits, this bill represents sound fiscal policy that will stimulate our economy," he added.

The legislation offsets the tax cuts by closing loopholes that currently allow a privileged few on Wall Street to pay lower taxes on their income than other hardworking Americans. It also prevents CEOs and hedge fund managers from escaping income taxes by using offshore tax havens to avoid their tax liability. The result is a fiscally sound piece of legislation that does not create new debt and protects future generations from having to finance current tax cuts.

"This Congress has brought fiscal responsibility back to Washington: the days of borrow and spend are over," said Congressman Gonzalez. "Our legislation is fiscally responsible and won't add a penny to the deficit."

###