

Members of the Congressional Black Caucus (CBC) are overwhelmingly opposed to the President's compromise with Republicans on extending all of the Bush-era tax cuts for two years. While we are an ideologically diverse Caucus, the CBC has reached a consensus that we cannot support extending the Bush-era tax cuts for the wealthiest Americans; we can support moving forward on the following:

- A **13-month extension of Emergency Unemployment Insurance Benefits** plus additional assistance for the chronically unemployed – those Americans who have been unable to find work for more than 99 weeks.
- A **payroll tax holiday or equivalent payment**, such as a tax rebate check, with guarantees that Social Security will not be deprived of revenue.
- **Targeted tax relief** through a 2-year extension of the Bush-era tax cuts for hardworking middle- and low-income families and extending the enhanced provisions included in the American Recovery and Reinvestment Act for the Earned Income Tax Credit, the Child Tax Credit, and the American Opportunity Tax Credit.

The CBC proposal will cost less than half of the President's proposed trillion dollar compromise, and create virtually the same number of jobs.

Members of the Congressional Black Caucus are keenly aware of the day-to-day struggles of hardworking American families and the unemployed. In the long-run, we believe permanently extending the Bush-era tax cuts will add trillions of dollars to our national debt thus jeopardizing the fiscal solvency of the United States Government. This nation has difficult decisions to make in the years ahead and the CBC believes that vital programs, such as public education funding, financial aid for students to go to college, child nutrition programs, Veterans benefits, Social Security and Medicare, will all be put at risk if we permanently extend all of the Bush-era tax cuts. We believe the benefits of these vital programs to all Americans, especially to middle- and low-income Americans, far outweigh any tax cut. It will take strong political will to make the tough choices necessary to bring our fiscal house in order. One such choice the Caucus made was to consider and reject support for the proposed reduction in the estate tax, which has a two year price tag of \$60 billion and only benefits the wealthiest 2% of American families. Rejecting that choice is particularly timely in light of the recent defeat of a \$250 payment to struggling Social Security recipients who are going another year without a Cost-of-Living-Adjustment. As we move ahead on ways to accelerate our economic recovery and balance our budget, the CBC stands ready to assist the President in a meaningful and responsible way.

