

DOLE SAYS KANSAS NEEDS TAX CUT NOW

EMPORIA, Kan. -- Senator Bob Dole (R-Kan.) said today that unless a tax cut is enacted, individual U.S. taxpayers will bear the full brunt of an estimated \$800 million in additional taxes next year.

Dole, ranking Republican on the Senate Finance Committee, which oversees congressional tax legislation, said there are three major contributing factors working to drive up tax rates in fiscal year 1981.

"Of course the most damaging of these taxes is the newly imposed windfall profits tax, which is expected to reap nearly \$400 million for the federal government," Dole said. "The other two huge increases will be in a further hike in Social Security payroll taxes, which will garner approximately \$200 million, and \$240 million due to "bracket creep," which is the jump in tax brackets as a result of inflation.

"A tax cut like the one I have sponsored in the Senate Finance Committee will not eliminate the cumulative effect of these new taxes, but it should help minimize their impact. At a time when inflation is raging and families are finding it increasingly difficult to make ends meet, this tax cut would prove beneficial in lightening the load of taxpayers."

Dole also indicated that it is crucial that a tax cut be enacted now in light of Administration proposals for even more tax-raising measures now under consideration.

"The Administration is still expecting the approval of a 10-cent-per-gallon gasoline tax, which is expected to cost American consumers nearly \$3.5 billion," Dole said. "In addition, such items as the airport trust fund tax, cash management proposals and changes in foreign tax credits, as well as other revenue proposals, could push the figure on new taxes into the billions.

"Certainly the economic argument for a tax cut is as persuasive today as at any time in recent months. Prices are up approximately 12 percent over this time last year, and over eight million Americans are currently out of work. A tax cut now would boost economic activity and create needed new jobs, and it will allow all Americans to save and invest more of their own income."

Dole referred to figures showing that individual American taxpayers will pay \$237 in windfall profits taxes alone.

He also re-iterated his hope that Congress will deal with the matter of a tax cut when it returns to Washington following the election.

Dole was in Emporia this morning on a campaign stop.