

News from Senator

BOB DOLE



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FOR IMMEDIATE RELEASE:
FRIDAY, AUGUST 1, 1980

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SENATE TAX HEARINGS END; DOLE SAYS TAX CUT NEEDED TO OFFSET TAXFLATION

WASHINGTON-- Saying that the federal government "is taking money out of the pockets of every Kansas taxpayer" because of inflation, Senator Bob Dole today renewed his call for an across-the-board 10 percent cut in individual tax rates.

Dole, who introduced a bill calling for a tax cut, effective January 1, 1981, is ranking Republican member of the Senate Finance Committee. The Committee recently completed hearings on the subject. The final hearing was Thursday, July 31th.

Really

At the end of seven days of hearings, Senator Dole commented, "I believe the testimony reflects a strong consensus that tax reduction is need. The reasons are quite simple. We must act to limit the record tax burden scheduled for next year, we must restore personal incentive and we must stimulate business investment to create jobs and increase productivity."

According to Dole, "What we are really talking about is not a tax cut, but a tax abatement. Virtually every witness acknowledged that the problem of taxflation, known as bracket creep--where people get pushed into higher tax brackets because of inflation-- is a major reason why tax relief is needed immediately."

Kansans To Pay \$232.13

According to figures compiled today by Senate Finance Committee staff, the average Kansan taxpayer will pay an additional \$232.13 in federal income taxes when he or she files their 1981 return. That amounts to a taxflation bill of \$244 million for the state's taxpayers. By 1982, if inflation continues at the current rate (12 percent) Kansans will be shelling out an additional \$478 million, or \$464.77 on average, per taxpayer. Figures already released by Senator Dole earlier in the year show that state taxpayers paid out an extra \$119 million to the federal government this year.

"Clearly it is a charade for the Administration to say that what I am proposing, when I call for a 10 percent cut, is any kind of radical plan. I am simply asking that we restore money that has been taken away from our taxpayers-- taken away without every having had the matter voted on in Congress."

Senator Dole added that he would eventually like to have the individual income tax rates indexed. Dole is the primary Senate sponsor of legislation which would index the individual income tax brackets to the Consumer Price Index.