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'MARRIAGE TAX' SHOULD BE ELIMINATED

WASHINGTON -- Senator Bob Dole (R.-Kansas) reiterated his opposition to the marriage tax today. The following is Dole's statement before the Senate Finance Committee:

"The marriage tax penalty is an issue that deserves our attention and ought to be carefully considered," said Dole.

"The problem is simply stated: while Congress has, on several occasions, attempted to make the income tax 'marriage neutral', its efforts have shifted the relative tax burden to different groups. Since 1969, when Congress adopted adjusted rate schedules for single taxpayers, married taxpayers have been relatively worse off. The problem lies in the treatment of married couples with relatively equal incomes, as opposed to unmarried couples in a similar situation. The unmarried couple has the advantage of the adjusted rate schedules for single taxpayers; the married couple does not, and income splitting is not an advantage where both incomes are relatively equal.

"The problem of the marriage tax penalty is not necessarily an easy one to solve. But I believe it is a problem that must be solved. It is not good tax policy -- or good social policy -- to build into the tax code a disincentive to marriage. There is no reason from the standpoint of equity, or of good sense, to provide more favorable treatment to unmarried couples than to married couples in a comparable situation," Dole said.

"At the same time, we should recognize that there is no simple solution -- any reduction in the marriage penalty will tend to increase the relative tax burden on other groups, such as single wage-earner families. In addition, reducing the penalty affects the progressivity of the tax code. These are problems we should keep in mind as we proceed.

"I believe the marriage tax penalty is receiving prominent attention in this Congress because in recent years the two-earner couple -- particularly the couple with two significant wage-earners -- has become much more important in our society than it once was. This development is partly a consequence of the increasing role of women in professional fields, and in the labor market as a whole. But it is also in part a necessity of the times. With rocketing inflation and sluggish economic growth, and an ever-rising tax burden that reduces the significance of each extra dollar of income, more families need to rely on two wage-earners in order to make ends meet. It is this group -- the two wage earner family -- that is particularly in need of our support. General tax reduction for all wage-earners should be our primary goal. But we would be doing working couples a disservice to ignore the special burden imposed on these two-earner families, as compared with unmarried couples," stated Dole.

"The Republican Platform adopted at the Detroit Convention made a commitment to eliminating the marriage tax penalty. I believe firmly in that commitment, because it is in the interest of the present generation of working couples and because it will help future generations by aiding families that must rely on two incomes to provide for the upbringing of their children. But I do not suggest that this is in any sense a partisan issue," Dole concluded.