



NEWS from U.S. Senator Bob Dole

(R.-Kans.)

New Senate Office Building, Washington, D.C. 20510 (202) 224-6521

FOR IMMEDIATE RELEASE

Monday, April 11, 1977

WITHDRAW REBATE PROPOSAL, DOLE ASKS

Washington -- Sen. Bob Dole (R-Kan.) urged President Carter today to reconsider his advocacy of a rebate on 1976 income taxes.

If the Administration withdraws its "ill-advised and now outdated support" of the \$50 rebate proposal, Dole said Congress would be free to arrive at the most sensible form of economic stimulation based on the latest reading of economic conditions.

The senator from Kansas indicated his continuing support for permanent reductions in tax rates. If these are accompanied by business investment incentives and cuts in federal spending, Dole said the result would be more production and more employment, without excessive inflation.

UNFORTUNATE ARMTWISTING

In a letter to the President, Dole deplored the "unfortunate effect: of "political armtwisting" to accomplish a single return of 1976 taxes that he said most economists now recognize would be unproductive and inflationary at the same time.

Dole said wise economic policy is unlikely to emerge from the interplay of water resource politics and the stubbornness of an inexperienced Administration that committed itself to the wrong tax program and won't admit the mistake.

"The real issue is whether a tax rebate or a permanent tax cut will provide economic stimulus and jobs for Americans with the least inflation," Dole declared. "But this is hardly being considered."

OBJECTIVE EVALUATION

The Senate is scheduled to take up the tax reduction and economic stimulus bill next week. The House already has narrowly voted to grant a \$50 per person rebate.

Dole, who is a member of the Finance and Budget Committees, said next week's debate could focus on "objective economic evaluations rather than political armtwisting if the Administration abandons its support for the rebate.

He also expressed the hope that Congress and the Administration can agree on an employment tax credit as part of the stimulus package. Dole said the incentive for business to expand their operations and hire additional workers would be preferable to federal funding of public service jobs.