



AMERICANS FOR TAX REFORM

GROVER G. NORQUIST

PRESIDENT

January 4, 2007

Dear Representative:

As the 110th Congress convenes today, on behalf of Americans for Tax Reform (ATR) I urge you to close a loophole for two very important taxpayer protection provisions included in the House rules for the current Congress. **Failure to close these loopholes will open the door for Congress to raise taxes. Therefore, any vote on the rules which fails to close these loopholes will be scored as a vote against taxpayers in our annual Congressional ratings.**

More specifically, Rule XXI, Section 5 (b) requires any vote to raise income taxes to be supported by three-fifths of the Members present. The proposed House rules keep this provision in place. However, the rules can be waived by a simple majority vote thus negating the purpose of the three-fifths vote requirement. **Congress must close this loophole by making the three-fifths of the members' present requirement unwaivable.**

Nearly all of the tax increases enacted over the past thirty years would never have been passed if this provision was included in the House rules during those times and without the closing of this loophole is a clear sign that the current House leadership wants to raise taxes by removing one of the most significant taxpayer protections from the House rules.

Additionally, Rule XXI Section 5 (c) requires no bill, joint resolution, amendment, or conference report include a retroactive tax increase. Again, this is a provision that can be waived with a simple majority. A retroactive tax increase would impose a tax on taxpayers for activity conducted prior to the tax being enacted. Any retroactive tax increase will create high levels of uncertainty among taxpayers to make new investments in the American economy since that money may be taxed at a higher rate than when the investment was made. Making this provision unwaivable will provide the certainty for taxpayers to continue saving and investing and thus increasing economic growth.

Failure to close these loopholes will open the door to significant tax increases in the 110th Congress. ATR believes the vote later today is as important as any tax increase that can be voted on later this year. As such, ATR will rate the rules vote on H.R. 5 in our annual Congressional Scorecard. A vote for the 110th House Rules without making the three-fifths requirement for tax increases and retroactive tax increases unwaivable will be scored as a vote against taxpayers.

ATR stresses the vote today on the House rules will be the first vote on tax increases in the 110th Congress. No member of Congress campaigned on a platform to raise taxes and taxpayers in your district expect you to vote in their interests. Clearly, removing these vital taxpayer protections is the first step to raising taxes.

Given the importance of this vote for American taxpayers, ATR will rate the House Rule vote in our Congressional scorecard.

Once again, I urge you to ensure these loopholes are closed when the House votes later today on the rules for the 110th Congress.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. G. Norquist". The signature is fluid and cursive, with the first and last names being more prominent.

Grover G. Norquist