



CONGRESS OF THE UNITED STATES

# *JOINT ECONOMIC COMMITTEE*

CONGRESSMAN JIM SAXTON

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## PRESS RELEASE

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For Immediate Release  
January 13, 2003

Press Release #108-2  
Contact: Christopher Frenze  
(202) 225-3923

## **TAX SHARE INFORMATION IS NEEDED TO EVALUATE FAIRNESS CLAIMS**

**WASHINGTON, D.C.** – The releases of selected numbers on the projected benefits of tax relief for various income groups are incomplete without disclosure of the tax shares borne by these groups before and after a tax reduction takes place, Congressman Jim Saxton said today. Saxton has pointed out many times the need for this tax share information to provide the necessary context for informed discussion about this aspect of tax policy.

“In the last week, opponents have attacked the President’s tax relief proposal as “skewed” and “obscene,” Saxton said. “These attacks follow the release of selected numbers by advocacy groups portraying the President’s plan as skewed toward the affluent. However, the shares of tax payments borne by each income group are needed to evaluate these claims in context. In the past, claims about the skewed benefits of proposed tax legislation have been debunked once it was revealed that the shares of taxes borne by each income group were essentially unaffected by the proposal.

“The tax distribution tables are primarily driven by the current pattern of tax payments, not by the structure of proposed changes. Even if effective tax rates are reduced somewhat more for lower income taxpayers, this will hardly be visible in distribution tables. The distribution tables mostly mirror the current pattern of tax payments, not the relative reduction in effective tax rates for each income group.

“As I have pointed out before, the top half of tax filers account for 96 percent of the income tax payments, and the bottom half of filers for nearly 4 percent. Many filers in the bottom half simply have little or no income tax liability to reduce, while others actually receive transfer payments from the federal tax system.

“Does the President’s proposal make the tax system less fair, as has been suggested? If those producing the skewed numbers would release the overall tax shares to provide some context, we might have a better basis for judgement. My view is that even the tax share figures produced by advocacy groups would probably show no significant change in the shares of tax payments made by various income groups under the President’s proposal. It is difficult to understand why these numbers have not been made available to the press and public,” Saxton concluded.

For more information on tax shares, please visit the JEC website at [www.house.gov/jec](http://www.house.gov/jec).

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