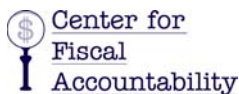


January 15, 2010



AN OPEN LETTER TO U.S. SENATORS URGING OPPOSITION TO THE CONRAD-GREGG BIPARTISAN TAX/SPENDING “REFORM” COMMISSION

Dear U.S. Senator,

On behalf of the millions of taxpayers, small businesses, families, senior citizens and shareholders represented by our respective organizations, **we urge you in the strongest terms to oppose and vote against the “Bipartisan Task Force for Responsible Fiscal Action Act of 2009,”** sponsored by Sens. Kent Conrad (D-ND) and Judd Gregg (R-NH), be it in stand-alone form or as an amendment.

As written, the Conrad/Gregg proposal would lead to a guaranteed tax increase.

The plan put forth by Sens. Conrad and Gregg establishes an eighteen-member task force comprised of ten Democrat and eight Republican Congressmen, Senators, and Administration officials. A report from the commission would need to gather fourteen votes in order to make an expedited recommendation to both bodies. The recommendation would only pass with a supermajority vote in each chamber.

Despite the appearance of protection for taxpayers, this commission would guarantee a net tax increase be in its proposal. Every Democrat on the commission would insist on tax increases to “balance” spending cuts in the recommendation.

There is no conceivable scenario whereby the commission would issue a report that does not contain tax hikes, and history underscores the dangers of such a bipartisan deal that puts everything on the table:

In the 1990 Andrews Air Force Base debacle, Congressional Democrats convinced a number of Republicans to join them in a bipartisan deal promising \$2 in spending cuts for every \$1 in tax increases. Every penny of the tax increases (\$137 billion from 1991-1995¹) went through. Not only did the Democrats break their promise to cut spending below the CBO baseline—they actually spent \$23 billion *above* CBO’s pre-budget deal spending baseline.

In order to make such a commission acceptable from a taxpayer perspective, language must be included that explicitly removes tax increases and/or new taxes from commission consideration.

However, the proposal in its current form will likely come before you later this month as an amendment to yet another bill to increase the debt limit, as Democrats will be looking to use this commission idea as a way to cover their big-spending tracks.

¹ Joint Committee on Taxation. Revenue Effects of H.R. 5835, Budget Reconciliation Conference Report. JCX-45-90. October 26, 1990



This bipartisan commission is a veiled attempt to lure Republicans into taking joint ownership of massive tax increases to pay for their crisis and is arguably one of the biggest threats to taxpayers. What's worse, it could become the Trojan horse for a European-style Value-Added Tax (VAT).

We urge you to oppose and vote against this misguided plan when it comes before you.

Sincerely,

- Jim Martin, chairman, 60 Plus Association
- Stephen P. Gordon, media director, Alabama Republican Liberty Caucus
- Brian Johnson, executive director, Alliance for Worker Freedom
- Susan A. Carleson,* chairman and CEO, American Civil Rights Union
- David A. Keene, chairman, American Conservative Union
- Grover Norquist, president, Americans for Tax Reform
- Tim Phillips, president, Americans for Prosperity
- Ryan Ellis, executive director, American Shareholders Association
- John Tate, president, Campaign for Liberty
- Sandra Fabry, executive director, Center for Fiscal Accountability
- Timothy Lee, vice-president of legal and public affairs, Center for Individual Freedom
- Chuck Muth, president, Citizen Outreach
- Barbara Anderson, executive director, Citizens for Limited Taxation (MA)
- Wayne Crews, vice president for policy, Competitive Enterprise Institute
- Tom Schatz, president, Council for Citizens Against Government Waste
- Rick Watson, chairman, Florida Center-Right Coalition
- Jamie Story, president, Grassroot Institute of Hawaii
- Gregory Blankenship, president, Illinois Alliance for Growth
- Andrew Langer, president, Institute for Liberty
- Robert McClure, president and CEO, James Madison Institute
- Rep. James DeCesare, chairman, Kentucky Taxpayer Protection Caucus, House of Representatives
- Colin Hanna, president, Let Freedom Ring
- Del. Warren Miller, chairman, Maryland Taxpayer Protection Caucus, House of Delegates
- Shane Osborn, Nebraska State Treasurer
- Andrew Moylan, director of government affairs, National Taxpayers Union
- Jerry Cantrell, president, New Jersey Taxpayers' Association
- Deborah Owens, co-chair, Ohio Center-Right Coalition
- Brandon Dutcher, vice president for policy, Oklahoma Council of Public Affairs, Inc.
- Kim Thatcher, chairman, Oregon Taxpayer Protection Caucus, House of Representatives
- Todd Kruse, Property Rights Association of Minnesota
- Jason Williams, executive director, Taxpayer Association of Oregon
- William Greene, president, RightMarch.com
- Ben Cunningham, spokesman, Tennessee Tax Revolt
- Laura Lee Adams, chairman, Utah Center-Right Coalition
- Susan Gore, founder, Wyoming Liberty Group

*title and organization for identification only