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Contact: Julie Hasquet, Press Secretary
(907) 258-9304 office
(907) 350-4846 cell

Begich Supports Tax Cuts for Middle Class Families, Businesses
Bill extending tax cuts passes Senate

In an effort to continue to support middle class Alaska families and small businesses, U.S. Sen. Mark Begich today voted in favor of the *Middle Class Tax Cut Act of 2012*. The bill, which extends the Bush-era tax cuts for one year on income up to \$200,000 for individuals and \$250,000 for families, passed by a vote of 51 to 48.

“I can’t remember when we faced a simpler question,” Begich said after the vote. “Should we ask the richest 2 percent to just pay their fair share, carry their own weight, while extending tax relief for 98 percent of Alaskans and all Americans and 97 percent of businesses? I think the answer is easily yes.”

The tax cuts were scheduled to expire at the end of this year. If that happens, 114 million Americans, including 300,000 families in Alaska, would see their taxes increase by roughly \$2,000 next year for a typical family of four.

“Let me be clear, I don’t begrudge anybody success. If you work hard and earn a million or a billion dollars, that is excellent,” Begich said. “But the fact is there are CEOs today who pay a lower tax rate than teachers and cops. There are hedge fund managers who pay a lower tax rate than fishermen or restaurant owners or truck drivers in Alaska. That makes no sense and isn’t fair.”

The legislation passed today also extends other tax cuts targeted at middle class families including the American Opportunity Tax Credit, the expanded Child Tax Credit, and the expanded Earned Income Tax Credit. It also extends an Alaska-specific provision. It extends tax relief for one year to Alaska Native settlement trusts, effectively allowing lower tax rates on trusts for corporations and shareholders. The trusts provide valuable economic and social benefits to Alaska Natives, including cash distributions to provide for basic needs, scholarships, payments to the elderly, and funeral benefits.

The Senate rejected another bill today that would have extended the Bush-era tax cuts for everyone, regardless of income, but would have ended certain tax breaks passed in 2010 for middle-income families. The bill passed today goes to the House for consideration next week.



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