

## **KEY VOTE "NO" ON H.R. 4154:**

### ***Permanent Estate Tax Relief for Families, Farmers, and Small Businesses Act of 2009***

December 2, 2009

Dear Representative:

On behalf of hundreds of thousands of FreedomWorks members nationwide, I urge you to VOTE NO on H.R. 4154, the Permanent Estate Tax Relief for Families, Farmers, and Small Businesses Act of 2009. While the bill claims to enact permanent estate tax relief, the legislation puts in place a permanent 45 percent tax on estates over \$3.5 million. A 45 percent tax is a dramatic tax increase over the zero percent death tax that will be in place in 2010, when death will no longer be a taxable event.

Originally enacted as temporary measures in war time, this bill would permanently institutionalize the death tax, reversing earlier trends toward reform that would lessen the tax burden on the grieving families who are forced to pay double, perhaps triple taxes on already taxed income of the deceased. Often, it is not a mythical pile of cash that is taxed, but the land of a family farm, personal effects, or the capital and assets of a family-owned small business. Without the cash on hand to pay these burdensome taxes, heirs are forced to sell off businesses and small farms that have been in the family sometimes for generations.

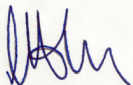
H.R. 4154 is one of the many tax hikes being proposed to pay for the President's deficit busting budget. Many of these taxes strike a blow to the heart of the economy with taxes on small business, investment and energy. Together, these will be a disincentive that stands in the way of entrepreneurship and the pursuit of prosperity that once provided jobs and growth.

In contrast, former Director of the Congressional Budget Office Douglas Holtz-Eakin and Cameron T. Smith found in a recent study that repealing the death tax altogether would allow for the creation of 1.5 million jobs, without spending billions in so-called stimulus funds. Profits from the death tax comprise only about 1.5% of federal revenue and once compliance, administrative, and enforcement costs are thrown in, the government is barely breaking even with a dollar spent for every dollar gained according to the Cato Foundation.

At a time when we have sky high unemployment and many individuals are under a mountain of debt, permanently repealing the death tax would make way for job growth and promote the responsible savings we need to put our economy on firm footing. For the government to make death a taxable event and seize almost half of what a hard working, driven person has earned in their lifetime is little short of highway robbery which, rather than promoting equality of wealth, forces those left behind to make sacrifices on behalf of success.

We will count your vote on H.R. 4154 as a KEY VOTE when calculating the FreedomWorks Economic Freedom Scorecard for 2009. The Economic Freedom Scorecard is used to determine eligibility for the Jefferson Award, which recognizes members of Congress with voting records that support economic freedom.

Sincerely,



Matt Kibbe  
President and CEO



**FreedomWorks**

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