

Don't raid benefits to cut taxes for rich

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EDITORIAL

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We must put family needs first, writes Jan Schakowsky

BODY:

President Bush was caught with his hand in the Social Security trust fund "borrowing" money for his tax cut to the rich. According to figures released by the nonpartisan Congressional Budget Office, the president's tax cut and a slowing economy will force the government to tap into the Social Security surplus to the tune of \$9 billion just to meet the budget shortfall this year, and \$30 billion over the next four years. Even the president's so-called priorities, like additional money for education and defense, can't be funded.

For eight years, the Democrats succeeded in keeping our nation's fiscal house in order. We enjoyed the longest sustained economic growth and hundreds of billions of dollars in surplus that we used to meet critical domestic needs, such as hiring more teachers and putting more cops on the streets. But in just eight short months, Bush squandered the surplus to cover the \$1.7 trillion tax cut for the rich--and keep a campaign promise to his wealthiest contributors. The biggest chunk of the tax cut, 43 percent, goes to the richest Americans. Some individuals will benefit by millions of dollars. To name two examples: Vice President Dick Cheney and Treasury Secretary Paul O'Neill will see income tax savings of \$1.7 million and \$3.5 million, respectively. And under this tax cut, top Bush administration officials, including the president, will see more than \$88 million in tax savings. Meanwhile, 21 percent of Americans will receive no tax savings whatsoever.

The minute the tax cut was signed into law, it became impossible to fund many vital programs and services and jeopardized others that our community has fought to protect over many decades, including Social Security and Medicare. In a CBS 2/Sun-Times poll, more than three-quarters of Chicago area voters said that preserving Social Security is more important than the tax cut. Yet the rationale for the budget-busting tax cut was that we had a huge "surplus" in the federal budget. That's an odd way of thinking. Would any American family say that they had a surplus in their household budget if they had no health insurance or a decent roof over their head, retirement security or couldn't afford to send their child to college? Of course they wouldn't. But as an American family, that is exactly what happened when Congress passed the president's massive tax cut.

It is not too late to put family needs first. The Bush tax cut is a gradual plan that is to be phased in over a decade. According to Citizens for Tax Justice, four out of five taxpayers will receive

most of their tax breaks from changes that occur this year. After 2001, more than half of the remaining tax cuts would benefit the wealthiest 1 percent of the population. We should put the brakes on. There's no need to allow those tax cuts that disproportionately benefit the wealthy to take effect until we've first met the needs of the majority of Americans.

That is why I will be introducing the Family Needs First Act that will delay any additional cuts in the top income tax bracket (those making more than \$373,000 a year), and will impose a moratorium on the estate tax repeal until we: * Assure Americans that doing so will not jeopardize the Social Security or Medicare trust funds, or force cuts in benefits; * Add a comprehensive prescription drug benefit to Medicare; * Provide full funding to modernize schools and add 100,000 teachers; * Significantly reduce the number of Americans with "worst case" housing needs.

No rational CEO would decide it's more important to give big bonuses to top-paid executives than to invest in the business to make it prosperous. We should have the same standard for the president running our country.

Rep. Jan Schakowsky is a Democrat from Illinois' 9th Congressional District.