

CNNMoney Misrepresents Rep. Mike Pence's Opposition to Tax Cut Deal

## Senior writer claims tax cut deal is 'costliest stimulus, weakest payoff,' cites Congressman in liberal attack on tax cuts.

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If you only read CNNMoney.com's attack on the [tax cut deal](#) you might think that Congressman Mike Pence, R-Ind., opposed extending the Bush-era tax cuts because of the cost. But that's not the case.

CNNMoney senior writer Chris Isidore wrote the article: "Costliest stimulus, weakest payoff" attacking the tax deal Congress passed. Using the Congressional Budget Office (CBO) figures, Isidore complained that it would cost \$858 billion - accepting the liberal assumption that tax cuts are a "cost."

He even misused comments made by Pence to support his liberal claims. After describing tax cuts as an inefficient way to grow the economy, Isidore wrote, "And at a price tag of almost \$900 billion at a time when the national debt is sky high, the proposal is considered a pretty big risk. That's why even some Republicans who like the idea of lower taxes are opposing the bill."

Isidore then quoted Pence saying, "Last November the American people did not vote for more deficits, more stimulus or more uncertainty in the tax code, that's just what this lame duck Congress is about to give them."

But Isidore left out the context of Pence's statement and other statements he has made, leaving readers to draw the wrong conclusions. According to [The Hill](#), Pence's main concerns were that the 13-month extension of unemployment benefits would bloat the deficit and that tax cuts should be permanent instead of temporary.



CNNMoney only quoted Pence's floor speech in opposition to the bill where he said the American people did not vote for more deficits, stimulus, and tax uncertainty. It failed to mention the real reasons that Pence did not vote for the bill. Other Pence interviews make it clear he does not agree with Isidore's assertion that the Bush tax cuts are the costliest part of the proposal and will cause the government to lose money.

Pence said in an interview on "America's Newsroom" Dec. 16 that he offered an amendment to make the tax rates permanent because: "... we don't have a temporary economy and a 2-year extension of tax rates is simply not going to encourage the kind of investment and capital formation that is going to create jobs."

Contrary to Pence, Isidore described unemployment benefits as "by far the most effective proposal in the current bill" and the least expensive based on the CBO rating. Isidore neglected to mention the need for spending cuts or increased tax revenue that can occur with lower taxes. Not to mention economic activity that could occur because taxpayers will get to keep more of their own money.

Isidore also failed to including opposing views from conservative tax groups like American's for Tax Reform (ATR). ATR's analysis of the bill described unemployment insurance as "the worst part of the package" and said "this new spending should be offset with spending cuts elsewhere. Unemployment for 99 weeks is indistinct from welfare, and subsidizes non-work."

Taking a stab at the death tax, Isidore said the "estate tax break" will have "little economic impact because it mostly affects the already affluent, who are less likely to spend their tax savings."

But other economists excluded by Isidore say the opposite. Cato Institute's [Estate Tax bulletin](#) by Chris Edwards showed that, "Many public finance experts believe that the estate tax causes broad harm to the economy by suppressing investment and ... might not raise any revenue for the government when all its effects are taken into account."

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