



Congress

[\[Print\]](#) [\[Email\]](#)

[Share](#)



Dems claim tax cuts, GOP calls it spending in disguise

By: [Susan Ferrechio](#)
Chief Congressional Correspondent
April 16, 2010

As protesters rallied outside, Democrats and Republicans engaged in a battle over taxes in the Capitol, with Democrats claiming credit for massive tax cuts while Republicans accused them of actually raising taxes by hundreds of billions of dollars and breaking President Obama's pledge to not raise taxes on the middle class.

The first volley was fired by House Democrats, who sent a missive to reporters proclaiming they have led Congress to cut taxes by more than \$800 billion.

"In the midst of the worst economic crisis since the Great Depression, Congress and the President acted swiftly to bring relief to our nation's families and businesses, and create good-paying jobs," Speaker Nancy Pelosi, D-Calif., said in a statement. "A critical element of that relief and recovery effort was tax cuts for the middle class and small business owners."

Pelosi credited the \$850 billion stimulus bill, saying more than one-third of it is comprised of tax relief for the middle class.

Democrats are also touting the new health care law as a tax cut because many people will get tax credits if they purchase health insurance.

Incredulous Republicans disputed the claim, saying much of what Democrats call tax cuts is actually government spending, and that the party has passed middle class tax increases and is planning more, including a potential fuel tax, a tax on those who do not purchase health insurance and a tax on expensive insurance plans.

"You know, Groucho Marx said years ago, 'Who are

A different kind of contract for Congress

Several tea party groups held an online vote to craft a Contract from America, a grass-roots version of the Contract with America written by Republican House members in 1994. House Minority Leader John Boehner and other top Republicans quickly signed on to the

you going to believe, me or your own eyes?" Republican Conference Chairman Mike Pence, R-Ind., said in a floor speech. "I just have to wonder about the American people looking in this morning to hear Democrats talking about having cut taxes more than any other Congress in history."

Democrats did, in fact, provide tax relief. The Making Work Pay initiative, for instance, slashed payroll deductions this year for most income earners by \$400 for individuals and \$800 for couples at a cost of \$116.2 billion over 10 years. They also expanded the child tax credit and the earned income credit.

"It is an empirical fact that 98 percent of working families got a tax cut this year," said Michael Linden, a tax and budget policy expert at the Center for American Progress, a liberal think tank.

But top Republicans accused Democrats of mischaracterizing the initiatives.

"Half of that is spending," said Rep. Paul Ryan, R-Wis., who is the top Republican on the Budget Committee. "Spending money on subsidizing health insurance by sending money to health insurance companies is not cutting taxes, it's spending."

Alan Reynolds, a tax expert for the Cato Institute, a libertarian think tank, said the Making Work Pay initiative does not qualify as tax relief, noting that many who qualified for the money paid no taxes in the first place.

"If you are trying to buy votes, there is nothing better than writing checks to people," said Reynolds. "And you can call it whatever you want. It's spending through the tax code."

sferrechio@washingtonexaminer.com

document. The general demands include:

- » Protect the Constitution
- » Reject cap and trade
- » Demand a balanced budget
- » Enact fundamental tax reform
- » Restore fiscal responsibility and constitutionally limited government in Washington
- » End runaway government spending
- » Defund, repeal and replace government-run health care
- » Pass an "all-of-the-above" energy policy
- » Stop the pork
- » Stop the tax increases

More from Susan Ferrechio

- [Dems claim tax cuts, GOP calls it spending in disguise](#)
- [Obama judicial nominee turns over more forgotten documents](#)
- [Bitter battle lies ahead on financial regulation overhaul](#)
- [Pig book shows earmark reduction](#)
- [Dems escalate war of words on deficit, unemployment](#)

Topics

[Washington Examiner](#)[The math doesn't add up -- even with third party candidates in race, Reid still loses](#)

Senate Majority Leader Harry Reid, D-Nev., has been struggling mightily in the polls. The latest news doesn't offer him any comfort: The latest Mason-Dixon poll for the first...

—[Mark Hemingway](#)

[Morning Must Reads -- Obama, Congress ditch fiscal discipline when the sun goes down](#)

New York Times -- President Signs Bill to Extend Jobless Aid Washington saw an interesting dichotomy on Tax Day. All day, thousands of small-government activists were in the...

—[Chris Stirewalt](#)

[Uh Oh! Crash the Party guy in trouble with his teachers union fair practices panel](#)

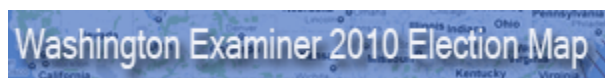
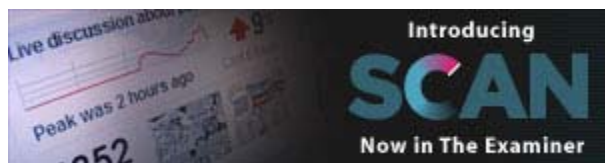
Looks like CrashTheParty.org founder/leader/lone ranger is getting more than he bargained for and from a direction he probably didn't expect - the Oregon state teachers union...

—[Mark Tapscott](#)

[District court judge rules National Day of Prayer unconstitutional](#)

Via Allahpundit, the Washington Times reports: Judge Crabb, an appointee of former President Jimmy Carter, wrote in her decision that "some forms of...

—[John McCormack](#)

[More Beltway Confidential posts...](#)[Today's Featured Writers](#)[Michelle Malkin](#)[Alinsky's avenging angels: tea party saboteurs](#)

[Irwin Stelzer](#)

[United, US Air merger makes sense, but don't count on it](#)



[Timothy P. Carney](#)

[Goldman rallies for Obama in Wall Street 'reform'](#)



[Linda Chavez](#)

[World more dangerous with Obama's nuke policy](#)



[Byron York](#)

[Who wins in 2010? Good luck reading tea leaves](#)



[David Limbaugh](#)

[Democrats manipulate CBO](#)

To view this site, you need to have Flash Player 8.0 or later installed. Click [here](#) to get the latest Flash player.

MOST POPULAR STORIES

[Hating the government finally goes mainstream](#)

[Scenes from today's tax day tea party protest in Washington - Part I](#)

[Tea Partiers are at a crossroads](#)

[Grace-Marie Turner: Obamacare will make every day feel like April 15th](#)

[David Freddoso: Three more things we learned about Obamacare after it passed](#)

[GOP vs. Obama: Have Republicans won on national security?](#)

[America currently reconsidering George W. Bush](#)

[Dallas high school builds *\\$120 MILLION* football stadium complex?! UPDATE: My bad, only \\$60 million, says school spokesman](#)

[Waxman cancels Obamacare CEO hearing](#)

[Meghan Cox Gurdon: Pay no heed to tea party crashers](#)

THIS WEEKEND ONLY!



Sectional Sofas

STARTING AT \$699

Click **HERE** for more details!



**American
Furniture Rentals**

WeeklyStandard.com

**51% of New Jerseyans (!) Favor
Repeal of Obamacare**

The Daily Grind

**At DNC Fundraiser, "Amused" Obama
Says Tea Partiers Should Thank Him**

Happy Hour Links

**District Court Judge Rules National
Day of Prayer Unconstitutional**

.submission { display: none; } .submission { display: none; }

Reader Comments

All comments on this page are subject to our Terms of Use and do not necessarily reflect the views of the Examiner or its staff. Comment box is limited to 200 words. Warning: If you comment, the Disqus platform default is set to email you when other reply to it. If you do not want to receive these replies to your comment, please uncheck the box.

[blog comments powered by Disqus](#)

Local



[Tea Party flocks to D.C. for tax day](#)

Thousands of Tea Party protesters descended on... [Full story](#)

Opinion



[Repeal CRA, stop blackmailing banks](#)

Rep. Jeb Hensarling, R-Texas, has introduced... [Full story](#)

Nation

[No time behind bars for Imam in NYC subway-plot](#)

An Afghanistan-born imam who pleaded guilty to lying to... [Full story](#)



[RSS](#) | [Twitter](#) | [Facebook](#) | [Intern](#) | [Video](#) | [Maps](#) | [Mobile](#) | [Contact Us](#) | [Terms of Use](#) | [Privacy Policy](#) | [Rack Locations](#) | [Advertise](#)

Find this article at:

http://www.washingtonexaminer.com/politics/congress/Dems-claim-tax-cuts_-GOP-calls-it-spending-in-disguise-90985819.html

Check the box to include the list of links referenced in the article.