

Murphy Votes for Balanced Budget, Middle Class Tax Cuts

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Washington, DC -- Today, Congressman Chris Murphy (CT-5) voted for a federal budget which will responsibly balance the budget in five years while enacting new targeted middle class tax cuts and investing in programs that Connecticut communities need.

"I am proud to be part of a Congress that has restored sanity to our spending practices in Washington. We can balance the budget, help the middle class, and support government programs that work, and we did it today," said Murphy.

Every year, it is Congress' responsibility to pass a budget resolution, which sets the spending priorities for the year. The Republican-led Congress was unable to pass a budget in three of the past five years, and under the last six years of fiscal irresponsibility in Washington, America's national debt increased 50 percent, to nearly \$9 trillion, or \$29,000 for every American.

Congress today approved a budget that will restore fiscal discipline by assuring that any spending increases are offset within the budget, commonly referred to as "pay as you go". This budget cuts taxes for 23 million middle-income American families by accommodating a long-term fix for the Alternative Minimum Tax (AMT). The AMT was designed to assure that the highest income earners to pay their fair share. However, the AMT levels have never been adjusted for inflation. Therefore, more and more middle income families are subject to a tax that was intended only for the very wealthy. For instance, in 2004, 80,000 Connecticut families were subject to the AMT. If Congress doesn't act, an estimated 587,000 Connecticut families could fall under the AMT in 2007. This budget recognizes that this Congress will likely act this year to fix this problem.

The budget also provides other middle class tax relief, including the child tax credit and marriage penalty relief, and assumes that Congress will collect taxes from companies that have incorporated offshore in order to avoid paying taxes.

The budget rejects the Administration's proposal to cut Medicare and Medicaid funding by \$300 billion over the next ten years, provides more funding for the shortchanged No Child Left Behind Act, and makes college more affordable via federally subsidized student loans. By recognizing that the key to the future of this nation is our investment in education, the budget also proposes funding 100,000 new students in the fields that fuel innovation, like math and science. In contrast, the President's budget cut education funding by 2.6%.

"I came to Congress to restore the promise that government can and should help working families who are trying to make life better for their kids. Republican Congresses trampled on this promise by passing tax cuts for the wealthy at the expense of the programs that support America's middle class. This budget marks a new era of investment in our future and fiscal responsibility in Congress," said Murphy.

The House-passed budget also sets guidelines for increases in homeland security funding and veterans care. The budget calls for the largest veterans' budget increase in American history - \$32 billion more over the next five years than the President's plan. This increase will benefit the more than 268,000 veterans in Connecticut and the almost 11,000 Connecticut residents who have served in Iraq and Afghanistan since September 11, 2001. The budget resolution also stops the President's proposed cuts to programs designed to train and equip first responders – cuts which could have slashed in half the millions of dollars Connecticut receives in homeland security grants.