



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

April 16, 2012
(Senate)

STATEMENT OF ADMINISTRATION POLICY

S. 2230 – Paying a Fair Share Act

(Sen. Whitehouse, D-RI, and 13 cosponsors)

The Administration strongly supports Senate passage of S. 2230, which would set a minimum tax rate for taxpayers with annual income greater than \$1 million. S. 2230 will ensure that the Nation's wealthiest people are not able to use tax preferences and shelters to reduce their tax rate below what middle class families pay.

Over the past fifty years, the average tax rate paid by the very highest-income Americans has fallen to a near low – even as their share of the Nation's income has risen to one of the highest levels in close to a century. As a result, one in four taxpayers with annual income greater than \$1 million today pays a lower tax rate than millions of hardworking middle-class households. S. 2230 would address that most basic source of unfairness by limiting the degree to which the most financially fortunate can take advantage of tax expenditures and preferential rates on certain income.

The Administration believes that S. 2230 would not only make the Nation's tax system more fair, but will also help the economy by closing inefficient tax shelters and loopholes and by allowing the Nation to continue making the vital investments that strengthen the economy and provide economic security for middle class families. All Americans are being asked to come together to make the sort of shared sacrifices that will allow the Nation to continue making crucial investments in areas that will help the economy grow and create jobs, such as education, research, and infrastructure. In such a time, the Administration believes that continuing to allow some of the wealthiest Americans to use special tax breaks to avoid paying their fair share simply cannot be justified.

* * * * *