

This week I wrote the following opinion editorial expressing my strong concerns about the tax increase on all Americans that is set to go into effect on January 1, 2013. While you may have seen it in your local paper, I wanted to make sure it was brought to your attention:

I have to agree with something President Bill Clinton recently said. Last month, the former President said avoiding a tax increase on anyone is "probably the best thing to do right now" in light of our fragile economy. While perhaps off message from President Obama, he was absolutely right.

Many Americans are not aware that taxes—even on lower-income workers—are scheduled to automatically jump on New Year's Day. But the reality is that Americans face a massive tax hike that includes a 50% cut in the value of the child tax credit, higher taxes on dividends for seniors living on fixed incomes, the return of the infamous “marriage penalty” for working families, and the alternative minimum tax ensnaring middle-income taxpayers. An average family of four with an income of \$50,000 could see a tax increase of almost \$2,200 next year.

There is broad agreement among economists that raising taxes could be a dangerous setback to our tepid recovery. President Clinton echoed this sentiment, urging national leaders to "avoid doing anything that would contract the economy now." If an athlete pulls a tendon you do not demand that he run a marathon. You give him time to heal. If an economy is weak, the last thing you do is pile new taxes on struggling businesses and working Americans.

President Obama claims that he merely wants those better off to pay more, but in reality his tax increase proposal would particularly hit small-business owners. Because at least 75 percent of small businesses pay their taxes as "individuals," a big tax increase could harm the very businesses we are relying on to add more jobs. Last month, for the first time in 44 months, small businesses cited taxes, not poor sales, as the single most important problem they are facing today.

Not surprisingly, a new study by Ernst & Young suggests that the President's tax proposal would cost more than 700,000 American jobs. Meanwhile, the nonpartisan Congressional Budget Office reports that his proposed tax increases would barely make a dent in the new debt our nation is projected to take on over the next decade if current patterns of federal spending continue. The President's tax hike proposal is therefore economically dangerous yet trivial in terms of reining in our national debt.

Members of Congress from both parties agree that there is a need for tax reform. The current tax code contains numerous loopholes, makes US businesses uncompetitive in a worldwide marketplace, and is almost impossible to understand unless you are a CPA. We can and must reform it to make it simpler, flatter, and fairer. But until we get there, we must make sure that taxes are not raised on the small businesses that are the backbone of our economy and the engine of job creation.

With millions of Americans unable to find work, I agree with President Clinton that Washington should not raise taxes on anyone. I hope President Obama heeds this advice.