

Today the House passed legislation to prevent the largest tax increase in American history from going into effect on January 1, 2011. This legislation unfortunately contained several provisions that I opposed, which made it a tough vote for me. However, in the end, I supported the package to prevent the crippling effect of a \$3.8 trillion dollar tax hike on all Northern California families, small businesses, and family farms, which would effectively double their income taxes. Failing to prevent these tax increases would ensure that every American sends more of their hard-earned money to Washington starting in January and reversing them could take a significant amount of time.

As it is, this bill was strongly opposed by Nancy Pelosi and the liberal wing of the House Democrats because they believe that tax increases are the way to solve the fiscal problems in Washington. I strongly disagree with that - Washington has a spending problem, not a revenue problem. I am firmly committed to correcting the flaws contained in this bill and will work with the new majority in the House in January to do exactly that. One of my strongest concerns with this bill was the unpaid-for extension of unemployment benefits and the inclusion of special-interest giveaways like the ethanol tax credit. In fact, I offered an amendment to strip the wasteful ethanol credit from the bill but House Democrats refused to allow a vote on it. When the new Congress convenes it is essential that we work quickly to fix the flaws in this bill. My top priorities remain cutting spending, repealing ObamaCare, and getting our fiscal house in order. I spoke on the House floor today to express these thoughts. You can watch the video [here](#) and read the full text of my remarks below.

"Mr. Speaker, the bill that came to us from the Senate is far from perfect. I am going to vote "yes" because if the scheduled \$3.8 trillion dollar tax increase takes effect in two weeks, the consequences for our economy could be catastrophic. Even if we reversed this tax hike next year, families and small businesses would see higher taxes immediately on January 1. According to the Tax Foundation, the average middle-class family in my Northern California district would see their federal income taxes more than double. People in my district are already struggling. Small businesses are barely hanging on. The unemployment rate is near 20 percent in several counties I represent. We simply can't afford this enormous tax hit.

"This has been a difficult decision for me. I'm outraged that the President and Democratic leaders are demanding billions of dollars in unpaid-for spending on unemployment benefits and special-interest giveaways as the price for stopping a massive tax increase. Additionally, we should be making the current tax rates permanent. If businesses face the threat of another tax increase in two years, they will be reluctant to make investments that pay off in five or ten years. We have to provide long-term certainty for America's small businesses.

"I commend Mr. Camp for his dedication to protecting taxpayers and his hard work on this legislation. In the next Congress, I look forward to working with Chairman Camp to fix this bill's flaws. We must bring permanency to the tax code. And we must cut wasteful federal spending, both to pay for unemployment benefits and also to start bringing down our unsustainable federal deficit.

"Finally, I know from personal experience how much of a burden the death tax is for family businesses. My relatives had to sell my own family's farm in North Dakota, just to pay the tax bill. That shouldn't happen in America. I urge the House to vote "NO" on the Pomeroy amendment."