



Press Release:
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Contact:
Whitney Neal
502-895-8167 ext. 121
wneal@kyyouth.org

Anne Singer
202-299-2066 ext. 27
anne@ctj.org

Analysis: Federal Tax Filers in Kentucky's Top 5 Percent Will Get Tax Cut 10 Times Bigger than Bottom 60 Percent if Tax Cuts Continue: Deficit Will Double

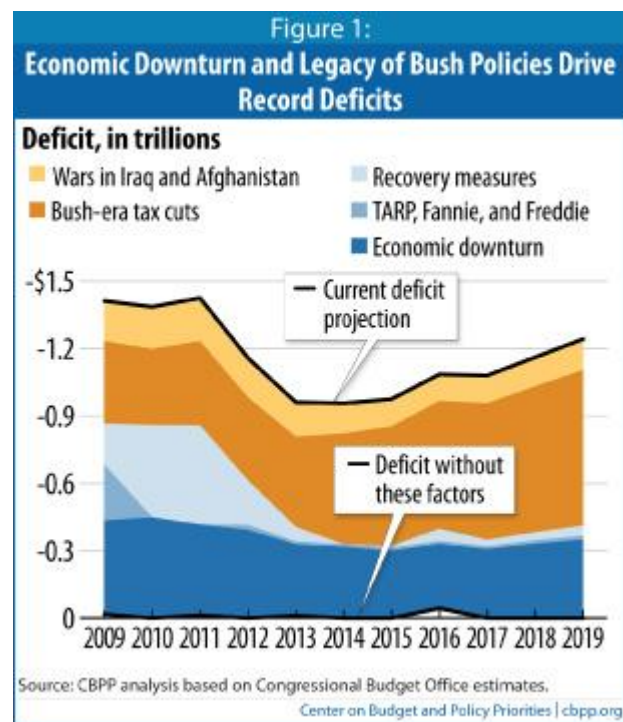
On Tenth Anniversary of Tax Cuts Enacted Under Bush Administration, Citizens for Tax Justice and Kentucky Youth Advocates Release Kentucky and Federal Fact Sheets with 2013 Projections

Jeffersontown, KY – As Congress and the President debate whether and on what conditions to raise the debt ceiling, America will mark the tenth anniversary of the policy change that accounts for much of the federal budget gap: the cuts enacted under President's George W. Bush's Administration.

On June 7, 2001, President Bush signed into law the first of the tax cuts that would turn the budget surpluses of the 1990's into historic deficits. A new analysis from [Citizens for Tax Justice](#) explains that making these tax cuts permanent would almost double the long-term budget deficit.

The analysis also finds that the higher a filer's income, the larger the tax cut as a percentage of income. If the tax cuts are extended again, in 2013 the poorest one fifth of taxpayers Kentucky would receive tax cuts equal to 0.5 percent of their income, while the richest one percent would enjoy tax cuts equal to 5 percent of their income.

"In many ways, these tax cuts are little more than a stimulus package for the wealthiest of Kentuckians and in these tough economic times, we need an approach where Kentucky's hard working families are given the same breaks as multi-millionaires," said Terry Brooks, executive director of Kentucky Youth Advocates. "While folks have differing views on the level and the role of taxes, we can all agree that low-income Kentuckians should not be left out of tax breaks at the same time the wealthy prosper because of those tax breaks."



Some in Congress have threatened to cause the U.S. to default on its debt-obligations unless President Obama agrees to major cuts in federal spending to reduce the budget deficit, but they simultaneously demand the Bush tax cuts be made permanent.

"Kentucky Youth Advocates consistently advocates for a balanced approach when it comes to tax and budget issues, be they at the state or federal level. Our leaders should not talk about making cuts without increasing revenue and vice versa. In the case of the impact of the tax cuts enacted a decade ago, it is clear that balance is not the operative word," said Brooks.

A fact sheet for Kentucky about the costs of the tax cuts to the Commonwealth is at:

<http://www.ctj.org/bushtaxcuts10yrs/ky.pdf>

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[Kentucky Youth Advocates](#) is the home of Kentucky's Tax and Budget Initiative. We work to promote an adequate, sustainable and transparent budget upon which we can build strong public structures and the long-term economic vitality of the Commonwealth.

[Citizens for Tax Justice](#), founded in 1979, is a 501 (c)(4) public interest research and advocacy organization focusing on federal, state and local tax policies and their impact upon our nation. CTJ's mission is to give ordinary people a greater voice in the development of tax laws.