



BACKGROUND

THOMAS BILL HOLDS HELP FOR 12 MILLION CHILDREN HOSTAGE

We do not need an \$82 billion bill to correct a \$3.5 billion injustice.

The unjust, callous last minute act denying urgently needed help to families with incomes between \$10,500 and \$26,600 while ensuring every millionaire a \$93,500 tax break this year was swiftly corrected by the Senate by a vote of 94 – 2 without adding to the deficit. The House should do the same immediately.

Poor children in working families should not be held hostage to more political shenanigans.

The Thomas bill pushes expensive new tax cuts for affluent families and risks bogging down and denying immediate help for low-income working people who need to pay their utility bills and put food on the table right now. The Thomas bill proposes a \$82 billion child tax credit bill that would give six times more child tax credit help to higher income families than to low-income families unjustly left behind in the first place.

The House should enact the Senate version of the child tax credit now, so that the families who need help most will get it without further enriching families who need help least.

The White House should assure that the House acts immediately to right the wrong to families unjustly left behind in the first place by the Administration's massive tax cut law. The Senate last week took the first step in correcting this injustice with a 94-2 vote.

SENATE BILL	THOMAS BILL
Expands the child tax credit for low-income families earning \$10,500 to \$26,600 – \$3.5 billion	Expands the child tax credit for low-income families earning \$10,500 to \$26,600 – \$3.5 billion
Extends upward the child tax credit from families making \$110,000 to \$150,000 slowly by 2010 – \$4.8 billion	Extends upward the child tax credit from families making \$110,000 to \$150,000 – \$20.4 billion
Ensures low-income families their checks this summer	Does not ensure low-income families will get their child credit refunds this summer
Makes consistent definition of children in the tax code – \$1.5 billion	Maintains maximum child tax credit at \$1,000 per child until 2010 (current law allows credit to revert to \$700 in 2005 before phasing back up to \$1,000 in 2010) – \$57.3 billion