

## EXECUTIVE SUMMARY

### Sen. Cornyn Voted For Tax Relief That Helped Texas Taxpayers.

- Sen. Cornyn Voted For The Jobs And Growth Reconciliation Tax Act Of 2003.
- Sen. Cornyn Voted For The Tax Relief Extension Reconciliation Act Of 2005.

### More Than 8 Million Texas Taxpayers Benefitted Because Of The Tax Relief Sen. Cornyn Supported.

- More Than Eight Million (8,027,000) Texas Taxpayers Have Benefitted From Tax Cuts.
- Almost Seven Million (6,917,000) Texas Taxpayers Were Helped By The New 10% Bracket.
- More Than Two Million (2,396,000) Have Been Able To Take Advantage Of The Marriage Penalty Relief.
- More Than Two Million (2,186,000) Have Seen An Increase Of The Child Tax Credit.

### Sen. Cornyn's Support Of Tax Relief And Other Economic Policies Have Benefitted Texas.

**Since 2003, Texas Has Created More Than 1.25 Million Jobs.** (Bureau Of Labor Statistics Website, [www.bls.gov](http://www.bls.gov), Accessed 10/21/08)

- 305,600 Jobs In Professional And Business Services
- 224,300 Jobs In Trade, Transportation And Utilities
- 192,400 Jobs In Education And Health Services
- 169,100 Jobs In Leisure And Hospitality
- 111,600 Jobs In Construction
- 82,400 Jobs In Natural Resources And Mining
- 71,200 Jobs In Financial Activities
- 8,400 Jobs In Manufacturing (Bureau Of Labor Statistics Website, [www.bls.gov](http://www.bls.gov), Accessed 10/21/08)

**Over The Year, Texas Experienced "The Largest Statistically Significant Job Gain."** "Over the year, eight states experienced statistically significant changes in employment. The largest statistically significant job gain occurred in Texas (+247,900), followed by Nebraska (+12,800) and Wyoming (+8,200)." (Bureau Of Labor Statistics, "Regional And State Employment And Unemployment: September 2008," [www.bls.gov](http://www.bls.gov), Press Release, 10/21/08)

**In 2007, More Than 30 Percent Of Private Sector Jobs In The U.S. Were Created In Texas.** President of the Federal Reserve Bank of Dallas Richard Fisher: "Last year, almost one-third of all the private sector jobs created across America were created in our state. Let me repeat that: Over 30 percent of all the private sector jobs created in America last year were created right here in the Lone Star State." (Richard Fisher, Remarks Before A Federal Reserve Bank Of Dallas Community Forum, San Antonio, TX, 4/9/08)

**In 2007, Texas Had The Second Largest Gross Domestic Product (GDP) In The Country, Second Only To California.** (Bureau Of Economic Analysis, [www.bea.gov](http://www.bea.gov), Accessed 6/9/08)

### Sen. Cornyn Has Worked In The Senate For Strong Economic Policy.

- Sen. Cornyn Has Served On Senate Committees That Address Job Growth And Economic Development.
- Sen. Cornyn Was An Original Co-Sponsor Of The America COMPETES Act (Creating Opportunities to Meaningfully Promote Excellence in Technology, Education and Science), Legislation To Increase Innovative Opportunities In Technology, Education, And Science.
- *Sen. Cornyn Co-Sponsored* The Permanent Sales Tax Deduction Bill That Would Give Texans \$1 Billion In Tax Relief Annually.

- Sen. Cornyn Backed The Investment In America Act That Makes The R&D Tax Credit Permanent, Which Helps Texas Companies Remain Competitive In Today's Global Economy:
- Sen. Cornyn Sponsored An Amendment To Safeguard Against Future Income Tax Rate Increases.
- Sen. Cornyn Voted Against The Democrats' FY08 Budget, Which Included The Largest Tax Hike In U.S. History.
- Sen. Cornyn Voted For The Alternative Minimum Tax (AMT) Relief, Which Will Benefit Middle Class Taxpayers.
- Sen. Cornyn Co-Sponsored Legislation To Permanently End The Death Tax.
- Sen. Cornyn Introduced The United States Authorization And Sunset Commission Act Of 2007.
- Sen. Cornyn Has Received Numerous Awards For His Sound Economic Policy And Work On Low Taxes.

**Sen. Cornyn Voted For Tax Relief That Helped Texas Taxpayers:**

**Sen. Cornyn Voted For The Jobs And Growth Reconciliation Tax Act Of 2003.** (H.R. 2, CQ Vote #196: Adopted 51-50: R 48-3; D 2-46; I 0-1, With Vice President Cheney Casting A "Yea" Vote, 5/23/03, Cornyn Voted Yea)

- **Sen. Cornyn:** "The last thing Congress should do is raise taxes by letting that relief expire." (Sen. John Cornyn, "Cornyn Honored For Support Of Pro-Economic Growth, Job Creation Policies," Press Release, 4/20/07)

**The Final 2003 Tax Bill:**

- **Accelerated A Number Of The 2001 Tax Relief Provisions:**
  - Accelerated The Increase In The Child Tax Credit;
  - Accelerated Marriage Penalty Relief;
  - Accelerated The Expansion Of The 15-Percent Rate Bracket For Married Couples Filing Joint Returns;
  - Accelerated Reductions In Individual Income Tax Rates;
- **Provided Growth Incentives For Business:**
  - Provided Special Depreciation Allowance For Certain Property;
  - Increased Section 179 Expensing;
- **Temporarily Reduced The Capital Gains And Dividends Tax Rates To 15% (5% For Lower-Income Taxpayers In 2007 And No Tax In 2008);**
- **Increased The Individual Alternative Minimum Tax Exemption Amount.** ("Summary Of Conference Agreement On H.R. 2, The Jobs And Growth Tax Relief Reconciliation Act Of 2003," Joint Committee On Taxation, 5/22/03)

**Sen. Cornyn Voted For The Tax Relief Extension Reconciliation Act Of 2005.** (H.R. 4297, CQ Vote #118: Adopted 54-44: R 51-3; D 3-40; I 0-1, 5/11/06, Cornyn Voted Yea)

### **Since 2001, The Tax Relief Has Helped Texas Taxpayers:**

- More Than Eight Million (8,027,000) Texas Taxpayers Have Benefited From Tax Cuts.
- Almost Seven Million (6,917,000) Texas Taxpayers Were Helped By The New 10% Bracket.
- More Than Two Million (2,396,000) Texas Taxpayers Have Been Able To Take Advantage Of The Marriage Penalty Relief.
- More Than Two Million (2,186,000) Texas Taxpayers Have Seen An Increase Of The Child Tax Credit. (U.S. Department Of Treasury Website, “2008 Tax Relief Kit,” [WWW.USTREAS.GOV](http://WWW.USTREAS.GOV), Accessed 4/3/08)

### **If The Tax Cuts Are Allowed To Expire In 2011:**

**“[T]he Tax Rate Relief, The New 10-Percent Tax Bracket, Estate Tax Repeal, Marriage Penalty Relief, And All The Remaining Tax Relief Enacted Over The Past Few Years Will Sunset, Resulting In Tax Increases For Every Taxpayer Who Pays Income Taxes.”** (U.S. Department Of Treasury Website, “2008 Tax Relief Kit,” [WWW.USTREAS.GOV](http://WWW.USTREAS.GOV), Accessed 4/3/08)

**“[L]ow-Income Families With One Or Two Children Will No Longer Be Eligible For The Refundable Child Tax Credit.”** (U.S. Department Of Treasury Website, “2008 Tax Relief Kit,” [WWW.USTREAS.GOV](http://WWW.USTREAS.GOV), Accessed 4/3/08)

### **“A Family Of Four With Two Children Who Earn:**

- \$50,000 annual income today (\$53,400 in 2011) would see a \$2,155 INCREASE (from \$1,128 to \$3,283) or a 191 percent higher tax bill;
- \$60,000 annual income today (\$64,100 in 2011) would see a \$1,901 INCREASE (from \$2,733 to \$4,634) or a 70 percent higher tax bill.” (U.S. Department Of Treasury Website, “Without Permanent Tax Relief, Millions Of Americans Will See Their Taxes Go Up By Billions Of Dollars In 2011,” [WWW.USTREAS.GOV](http://WWW.USTREAS.GOV), Accessed 4/3/08)

### **“Tax Increases On Average:**

- 116 million taxpayers - \$1,833 increase
- 84 million women - \$2,121 increase
- 48 million married couples - \$3,007 increase
- 43 million families with children - \$2,323 increase
- 12 million single women with dependents - \$1,091 increase
- 18 million seniors - \$2,181 increase
- 27 million small business owners - \$4,066 increase.” (U.S. Department Of Treasury Website, “Without Permanent Tax Relief, Millions Of Americans Will See Their Taxes Go Up By Billions Of Dollars In 2011,” [WWW.USTREAS.GOV](http://WWW.USTREAS.GOV), Accessed 4/3/08)

### **Tax Relief Puts Trillions Of Dollars Back In The Pockets Of Families And Small Businesses:**

- “\$1.3 trillion provided through 2007;
- \$1.5 trillion by the end of 2008;
- \$2.8 trillion over the next ten years (with permanent tax relief); and
- \$4.3 trillion total through 2018 (if permanently extended).” (U.S. Department Of Treasury Website, “Without Permanent Tax Relief, Millions Of Americans Will See Their Taxes Go Up By Billions Of Dollars In 2011,” [WWW.USTREAS.GOV](http://WWW.USTREAS.GOV), Accessed 4/3/08)

**Sen. Cornyn Has Served On Senate Committees That Address Job Growth And Economic Development:**

During The 108, 109 And 110<sup>th</sup> Congresses, Sen. Cornyn Was A Member Of The Budget Committee. (Sen. John Cornyn Website, [CORNYN.SENATE.GOV](http://CORNYN.SENATE.GOV), Accessed 12/30/07)

During The 109<sup>th</sup> Congress, Sen. Cornyn Was A Member Of The Small Business And Entrepreneurship Committee, And The Joint Economic Committee. (Sen. John Cornyn Website, [CORNYN.SENATE.GOV](http://CORNYN.SENATE.GOV), Accessed 12/30/07)

**Sen. Cornyn Co-Sponsored The Permanent Sales Tax Deduction Bill And Has Worked Secure Its Temporary Extension It In The Meantime:**

“Sen. Cornyn Is An Original Co-Sponsor Of The *Permanent Sales Tax Deduction* Bill, S. 180. This Deduction Levels The Playing Field For Texans And Annually Provides \$1 Billion In Tax Relief.” (Sen. John Cornyn, “Cornyn Introduces Bill To Hold Federal Agencies, Programs Accountable,” Press Release, 6/29/07)

- Sen. Cornyn Successfully Worked With The Texas Congressional Delegation Last Year To Help Renew The Sales Tax Deduction By Including It In The Tax Relief And Health Care Act Of 2006, H.R. 6111. The legislation extended the sales tax deduction until the end of 2007, renewing the option for Texas taxpayers to deduct their state and local sales tax on federal income tax returns. It is expected to save Texans more than \$1 billion a year in federal taxes.” (Sen. John Cornyn, “Cornyn Encourages Texans To Take Advantage Of Sales Tax Deduction,” Press Release, 4/5/07)

**Sen. Cornyn Co-Sponsored The Investment In America Act That Makes The R&D Tax Credit Permanent, Which Helps Texas Companies Remain Competitive In Today's Global Economy:**

In 2005, Sen. Cornyn Co-Sponsored S. 627 - *The Investment In America Act*. (Library Of Congress Website, [THOMAS.LOC.GOV](http://THOMAS.LOC.GOV), Accessed 5/5/08)

**Sen. Cornyn Sponsored An Amendment To Safeguard Against Future Income Tax Rate Increases:**

Sen. Cornyn Sponsored An Amendment Requiring A Super-Majority (60 Votes) To Pass Any Legislation Increasing Income Tax Rates Of The American People. “Renewing his past efforts to prevent irresponsible tax increases on working families, U.S. Sen. John Cornyn, a member of the Senate Budget Committee, re-introduced legislation in the Senate today that would require a super-majority of the Senate, or 60 votes, to pass any

legislation that increases income tax rates on the American people.” (Sen. John Cornyn, “Cornyn Seeks Critical Safeguard Against Future Tax Increases,” Press Release, 3/12/08)

**Sen. Cornyn Introduced A Similar Amendment In 2007.** “This legislation, introduced as an amendment to the Fiscal Year (FY) 2009 budget resolution, mirrors a similar Cornyn-backed measure passed by the Senate last year.” (Sen. John Cornyn, “Cornyn Seeks Critical Safeguard Against Future Tax Increases,” Press Release, 3/12/08)

- “[In 2007,] The Senate Passed His Amendment By A Vote Of 63-35, But Democrats Stripped It Out In The Conference On The Budget With The House Of Representatives - Despite Unanimous Passage Of A Measure Instructing The Senate’s Negotiators To Include It In The Final Budget.” (Sen. John Cornyn, “Cornyn Introduces Bill To Hold Federal Agencies, Programs Accountable,” Press Release, 6/29/07)

**Sen. Cornyn Voted Several Times Against The Democrats’ Budgets That Have Included The Largest Tax Hike In U.S. History:**

**Sen. Cornyn Voted Three Times Against Budgets That Included The Largest Tax Increases In Our Nation’s History.** (S. Con. Res. 70, CQ Vote #85: Adopted 51-44: R 2-43; D 47-1; I 2-0, 3/14/08, Cornyn Voted Nay; S. Con. Res. 21, CQ Vote #172: Adopted 52-40: R 2 - 40; D 48-0; I 2- 0, 5/17/07; Cornyn Voted Nay; S. Con. Res. 21, CQ Vote #114: Adopted: 52-47: R 2-47; D 48-0; I 2-0, 3/23/07; Cornyn Voted Nay)

**The Club For Growth’s Andrew Roth Notes The Democrats’ FY09 Budget Would Result In “The Largest Tax Hike In U.S. History.”** “The Democrats’ FY09 budget does not extend the Bush tax cuts. As a result, Americans are set to be hammered with the largest tax hike in U.S. history.” (Andrew Roth, “Tax Hike Impact By Congressional District,” The

Club For Growth’s “Club For Growth” Blog, [WWW.CLUBFORGROWTH.ORG](http://WWW.CLUBFORGROWTH.ORG), 3/12/08)

- **Las Vegas Review-Journal:** “Sen. Conrad’s [budget] plan allows Bush’s 2001 and 2003 tax cuts to expire in 2010 - which amounts to the largest tax hike in U.S. history.” (Editorial, “Big Spenders,” *Las Vegas Review-Journal*, 3/6/08)
- **The Associated Press:** “Democrats in both House and Senate pressed ahead with budget plans that would saddle millions of Americans with higher tax bills in three years by allowing some or all of President Bush’s reductions to die after he leaves office.” (Andrew Taylor, “Congress Endorses Tax Hikes As Democrats Begin To Build Post-Bush Federal Budget,” *The Associated Press*, 3/14/08)
- **USA Today:** Democrat Budget “Assumes Big Tax Increases When Bush’s Tax Cuts Expire.” “The Senate continues to debate and vote on a \$3 trillion, non-binding spending plan for fiscal 2009, which begins Oct. 1. The proposal foresees a balanced budget in four years, promises more money for many domestic programs, and assumes big tax increases when Bush’s tax cuts expire.” (Michael Winter “Budget Plans:

Some Tax Hikes, Some Cuts, More Domestic Spending,” *USA Today*, [BLOGS.USATODAY.COM](http://BLOGS.USATODAY.COM), 3/13/08, Accessed 6/9/08)

#### **Sen. Cornyn Supports The Alternative Minimum Tax (AMT) Relief, Which Will Benefit Middle Class Taxpayers:**

##### **The AMT Is Increasingly Hurting Middle-Income Families:**

- **The AMT Was Designed As A Tax On The Wealthy, But Has Begun To Hit Middle-Income Americans Because It Wasn't Indexed For Inflation.** “The alternative minimum tax originally was created to prevent the wealthy from using heavy deductions to legally avoid paying income tax. But because it is not adjusted for inflation, the tax increasingly ensnares upper-middle-class taxpayers who never were intended to be its targets.” (*The Wall Street Journal Blog*, “Congress’s Taxing Hurdle,” [BLOGS.WSJ.COM](http://BLOGS.WSJ.COM), 4/13/07)
- **“At A Recent Hearing, Sen. Max Baucus (D-Mont.), Chairman Of The Finance Committee, Called The AMT 'A Monster That Is Waiting To Pounce On Unsuspecting Middle-Class Taxpayers.’”** (Linda Killian, “Dems Should Jump On Middle-Class Tax Relief,” *The Politico*, 7/23/07)

##### **The AMT Hurts The Business Community, Especially Small Businesses:**

- **The U.S. Chamber Of Commerce Considers The AMT “Extremely Complex And Burdensome” And Supports Its Full Repeal.** “The AMT is extremely complex and burdensome. ... Reforming the AMT would spur capital investment in the business community, thereby creating jobs. The U.S. Chamber supports measures to simplify and reduce the scope of the corporate and individual AMT, while ultimately working for full repeal of both.” (U.S. Chamber Of Commerce Website, [WWW.USCHAMBER.COM](http://WWW.USCHAMBER.COM), Accessed 9/26/07)

#### **Sen. Cornyn Co-Sponsored Legislation To Permanently End The Death Tax:**

**Sen. Cornyn Co-Sponsored The Death Tax Repeal Permanency Act Of 2005.** “U.S. Sen. John Cornyn, a member of the Senate Small Business and Joint Economic Committees, has signed on as a co-sponsor of the Death Tax Repeal Permanency Act of 2005 (S. 420). The bill will permanently repeal the death tax, a tax which hurts family-owned businesses, farms, and ranches.” (Sen. John Cornyn, “Cornyn Co-Sponsors Bill To Permanently End The Death Tax,” Press Release, 5/3/05)

#### **Sen. Cornyn Introduced The United States Authorization And Sunset Commission Act Of 2007:**

**“In An Effort To Establish Greater Accountability For Government Programs And Agencies, U.S. Sen. John Cornyn, R-Texas, A Member Of The Budget Committee, Has Introduced Legislation To Create A Federal ‘Sunset’ Commission To Evaluate All Unauthorized, Expired Federal Agencies And Programs The Government**

**Continues To Fund.”** (Sen. John Cornyn, “Cornyn Introduces Bill To Hold Federal Agencies, Programs Accountable,” Press Release, 6/29/07)

- **“The Legislation Is Modeled After The Sunset Process That Texas Instituted In 1977 To Identify And Eliminate Waste, Duplication And Inefficiency In Government Agencies.”** (Sen. John Cornyn, “Cornyn Introduces Bill To Hold Federal Agencies, Programs Accountable,” Press Release, 6/29/07)

**Sen. Cornyn Supported The JOBS Act:**

**In 2004, Sen. Cornyn Voted For Final Passage Of The Jumpstart Our Business Strength (JOBS) Act.** (H.R. 4520, CQ Vote #211: Adopted 69-17: R 43-3; D 25-14; I 1-0, 10/11/04, Cornyn Voted Yea)

- **Legislation Provided American Manufactures With Tax Relief.** “Adoption of the conference report on the bill that would repeal an export provision in the U.S. tax code that has been ruled an unfair subsidy by the World Trade Organization, and would provide for \$137 billion in new tax cuts for corporations over 10 years. It also includes a \$10 billion buyout of tobacco farmers. The cost of the tax breaks would be offset by curbs on tax-avoidance practices.” (Congressional Quarterly Website, H.R. 4520, CQ Vote #211: Adopted 69-17: R 43-3; D 25-14; I 1-0, 10/11/04)

**Sen. Cornyn’s Awards For His Sound Economic Policy And Work On Low Taxes:**

- **Hero of the Taxpayer Award, Americans for Tax Reform**
- **Tax Fighter Award, National Tax Limitation Committee**
- **Spirit Of Enterprise, U.S. Chamber of Commerce**
- **Taxpayer’s Friend, National Taxpayers Union**
- **Fighter for Free Enterprise Award, Texas Association of Business**
- **Best Ten Senators: Tax and Spenders in 2003 list, National Taxpayer Union, Human Events** (Sen. John Cornyn Website, “Awards and Accolades,” [CORNYN.SENATE.GOV](http://CORNYN.SENATE.GOV), Accessed 6/9/08)