

111TH CONGRESS
2D SESSION

H. RES. 1245

Expressing the sense of the House of Representatives that the Value Added Tax is a massive tax increase that will cripple families on fixed income and only further push back America's economic recovery.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2010

Mr. TIAHRT submitted the following resolution; which was referred to the Committee on Ways and Means

RESOLUTION

Expressing the sense of the House of Representatives that the Value Added Tax is a massive tax increase that will cripple families on fixed income and only further push back America's economic recovery.

Whereas a Value Added Tax (VAT) is a sales tax imposed on each stage of production, on each firm's value added;

Whereas a VAT is not a national sales tax (NST), a NST is a Federal consumption tax collected only at the retail level by vendors;

Whereas a VAT is a tax on the transfer of goods and services at every stage of production;

Whereas a VAT is ultimately hidden from the end user;

Whereas the VAT unfairly targets low and middle income wage earners by assessing value on every production activity and passing the cost on to the consumer;

Whereas Americans have already been subject to one of the highest tax increases in our Nation's history as part of recently passed health care reform;

Whereas the VAT has been widely adopted by European nations and is routinely cited as encouraging public spending at the cost of private job creation;

Whereas Denmark enacted a 9 percent VAT in 1962;

Whereas Denmark's VAT has surged to 25 percent in 2010;

Whereas like Denmark, as the government's thirst for revenue increases, the VAT will be used to quench its thirst;

Whereas the solution to America's worsening government fiscal outlook is not to increase taxes;

Whereas the solution to America's economic situation is to cut spending; and

Whereas Congress could get America's economy back on track by focusing on tax relief and simplification, liability reform, regulatory reform, health care security, and energy independence: Now, therefore, be it

1 *Resolved*, That the House of Representatives con-
 2 siders the Value Added Tax a massive tax increase that
 3 will cripple families on fixed income and only further push
 4 back America's economic recovery.

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