

111TH CONGRESS  
2D SESSION

# H. RES. 1317

Expressing the sense of the House of Representatives that the value-added tax in addition to existing Federal taxes is a massive tax increase that will result in hardships for United States families and job-creating small business and will stunt economic recovery.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2010

Mr. LANCE (for himself, Mr. BURGESS, Mrs. McMORRIS RODGERS, Mr. CHAFFETZ, Ms. JENKINS, Mr. GARRETT of New Jersey, Mr. LEE of New York, Mr. BOOZMAN, Mr. COLE, Mr. HASTINGS of Washington, Mr. HOEKSTRA, Mr. KINGSTON, Mr. BURTON of Indiana, Mr. MORAN of Kansas, and Mr. PAUL) 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 in addition to existing Federal taxes is a massive tax increase that will result in hardships for United States families and job-creating small business and will stunt economic recovery.

Whereas a value-added tax (VAT) is a sales tax imposed on the transfer of goods at each stage of the production or supply chain, and is determined by reference to the value added by each firm in the chain;

Whereas a VAT is a tax on the transfer of goods at each stage of production;

Whereas a VAT is hidden from the end user;

Whereas a 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 President Barack Obama and Senior Economic Advisor Paul Volcker have suggested instituting a VAT on top of income tax;

Whereas United States taxpayers will be subject to a tax increase as a result of the recently enacted health care reform legislation and the expiration of the 2001 and 2003 tax cuts;

Whereas, of the 10 major OECD nations with a VAT, only one has lowered the rate since 1962;

Whereas Denmark has increased their rate from 9 percent to 25 percent, Germany from 10 percent to 19 percent, and Italy from 12 percent to 20 percent;

Whereas, in Europe, this heavier spending and tax burden has also meant lower levels of income growth and job creation; and

Whereas deficit reduction can be achieved by cutting wasteful spending, promoting policies for job creation, and expanding opportunities for small business: Now, therefore, be it

1       *Resolved*, That it is the sense of the House of Rep-  
 2       resentatives that a value-added tax in addition to existing  
 3       Federal taxes is a massive tax increase that will result  
 4       in hardships for United States families and job-creating  
 5       small business and will stunt economic recovery.

○