

News
From _____

Nick Rahall

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HISTORIC TAX REFORM BILL PASSES HOUSE;

RAHALL SAYS AVERAGE WEST VIRGINIAN WILL BENEFIT

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) says that the tax reform bill passed by the House today will work to the benefit of the average taxpayer in West Virginia.

"For the average taxpayer in the Fourth Congressional District in West Virginia, where the average per capita income is \$8,500, the 15% tax rate, as called for in the bill, would apply," Rahall told his colleagues. "This drastic reduction in rates would offset any loss due to eliminations or reductions."

West Virginians will also be aided by the bill's treatment of personal income. "Three of the most important and beneficial provisions of this bill are the treatment of the Standard Deduction, Personal Exemption, and the Earned Income Tax Credit," Rahall added. The Earned Income Tax Credit is designed to help offset Social Security taxes and employment-related expenses for the working poor.

Rahall did express some reservations about the bill's effect on the troubled coal industry. However, he did point to the bill's inclusion of his efforts to head off the Administration's attempts to eliminate the percentage depletion allowance for coal as a somewhat bright spot for the industry.

But the bill's overall benefit to the people of West Virginia prompted Rahall's support. "This bill is one of the most beneficial pieces of legislation in decades for low-income working families," Rahall said. "Our nation's elderly are also helped by this legislation. Of the six million persons removed from the tax rolls by this measure, up to 700,000 will be among the elderly."

"In light of the need for reform and the fair and responsible approach this measure takes to more evenly distribute our nation's federal tax liability for individuals, I feel that we have taken a step forward towards fairness through the passage of this historic bill," Rahall observed.

The Senate must now act on the measure before it goes to the President.