

Rep. Crowley - HR 3

~~Minkes, Sarah~~

From: Delaney, Deb
Sent: Monday, May 02, 2011 6:09 PM
To: Minkes, Sarah; Chinn, Monica
Subject: Please print two copies, thank you!!

Congressman Joseph Crowley
Statement on H.R. 3 – House Committee on Rules
May 2, 2011

Thank you Mr. Chairman, Ranking Member Slaughter, and members of the Committee.

I appreciate having an opportunity to present my amendment for consideration to the Committee, and I hope we will have the chance to further debate it on the floor next week.

My amendment is simple.

It says that this bill could not take effect if it would raise taxes.

That means that if an individual, family or small business would see their taxes go up as a result of this bill, then the bill could not take effect.

I should say when, not if, since this bill does raise taxes.

Supporters of this bill will claim that taxes won't go up, pointing to the Joint Committee on Taxation's estimate that the tax increases in this bill will be balanced out by future tax benefits for other purposes, making the bill's overall effect on taxes negligible.

But, the key point there is overall – even the Joint Committee has acknowledged that there are many taxpayers who will in fact see a tax increase.

Individuals will pay more taxes when they can no longer deduct medical expenses for an abortion – even if it was medically necessary to avoid serious health problems.

They will also pay more taxes because these legitimate medical expenses will not count toward the threshold for claiming the medical expense deduction, making this deduction harder to achieve in the first place.

Let me put this in a real world context.

If a woman develops serious health complications and requires an abortion, along with other medical treatment, the total cost of her treatment has a high probability of reaching the threshold for deducting medical expenses. However, if the cost of the abortion is excluded, she not only will be unable to deduct the abortion care, but the rest of her costs might fall just shy of the threshold.

So now she will not be able to deduct any of these medical costs, AND her taxes will rise significantly as a result.

Small businesses will also pay more taxes as a result of H.R. 3.

Why? Because, if a small business' employee health plan covers abortion, the business will be denied the Affordable Care Act's Small Business Tax Credit.

That means employers will have to scour thousands of pages to find the one sentence or tiny clause in their coverage plan that acknowledges reproductive services are covered. Or, to be absolutely sure there's no sentence excluding abortion.

And, if they choose to devote their staff's time and energies to strengthening the business, instead of trying to find this clause, and they select a plan for their employees that includes coverage of abortion, then this bill would raise the business's taxes by tens of thousands of dollars a year.

Families will pay more taxes when they lose any premium assistance tax credits they received to purchase a health insurance plan, if the plan that works best for them happens to include abortion coverage.

That's right – families will have to give up on choosing their own plan if they need the premium assistance that makes it possible for them to afford health care.

Stripping these health care tax credits will raise taxes on middle class families. It will have the same effect as if we denied or stripped out similar tax credits like the child tax credit or the higher education tax credit.

Women will pay more taxes if they use their tax-preferred savings accounts, such as Flexible Spending Accounts, Health Savings Accounts and Archer Medical Savings Accounts, to pay for abortion care.

These women will not only have to pay taxes on the costs of the care itself, but will see their tax bill go up as a result of the amount of this care being counted toward their gross income.

This bill finds many, many ways to limit personal choices in health care and bring the IRS into medical decisions, and we should have a substantive debate about all its provisions.

However, we cannot forget the fact that this bill does raise taxes.

This legislation explicitly denies tax credits, tax deductions, and tax-preferred savings to people and businesses who pay for abortion coverage.

Coverage an individual or employer intentionally selected either because it includes abortion care, or because it was the plan that best suited a range of their health care needs.

If this isn't a tax increase, I don't know what is.

Even Grover Norquist, of the Americans for Tax Reform and their infamous pledge to not raise taxes, has indicated that this legislation would use policy to hide a tax increase.

I know he has since tried to flip-flop on his earlier comments, but if anything, the bill we're looking at today is even clearer about the tax increases than earlier versions.

When I offered this amendment at the Ways and Means Committee markup, Republicans voted it down because they knew this bill would, in fact, raise taxes.

We even heard an argument from the other side that this amendment would "gut the bill."

Well, the only way it would do that is if this bill raises taxes – which it does.

What this bill doesn't do is increase jobs and grow the economy – in fact just the opposite.

Thank you, and I look forward to taking questions at the appropriate time.