

Hypocrisy

Thousands upon thousands of middle class jobs are being eliminated, our nation's infrastructure is falling apart and critical middle and working-class programs are facing cuts or elimination - all in the name of deficit reduction. At the same time, those who say that the extreme wealthy should contribute their fair share are denounced as wanting to tax job creators and start "class warfare."

Even America's second-wealthiest person, Warren Buffet, pointed out a few years ago that **"there's class warfare, all right. But it's my class, the rich class, that's making war, and we're winning."**

Buffet has repeatedly called for increasing the tax rate on the very richest. President Obama's recent proposal known as the "Buffet Rule" would do just that.

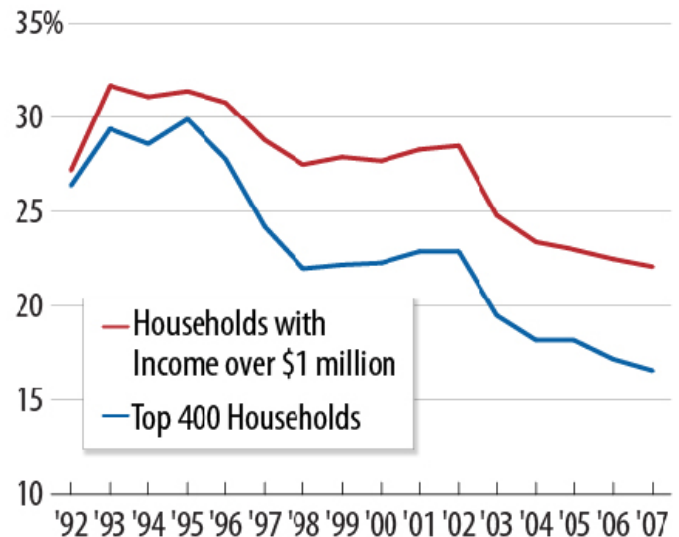
Consider this:

The IRS compiles data on the 400 Americans reporting the largest incomes. This group paid 16.6 percent of their income in federal individual income taxes in 2007, down from 30 percent in 1995. The drop works out to a tax cut of \$46 million per filer in 2007, or a total of \$18 billion in tax cuts per year.

Why? Investment income – a huge chunk of the money – is taxed at much lower rates. The money is not being spent to create jobs. It is hoarded and sheltered from tax rates that workers have to pay to amass even larger personal fortunes, leaving workers and the middle class holding the bag!

Effective Tax Rates on Wealthiest People Have Fallen Dramatically

Effective Federal Income Tax Rate



Source: IRS Statistics of Income

[Center on Budget and Policy Priorities | cbpp.org](http://www.cbpp.org)

News on the trade agreements: A group of executives from 32 major companies ranging from General Electric to Dow Chemical recently sent a letter to Congress urging immediate action to pass the trade agreements saying that "U.S. goods, services, and farm exports are losing ground every day" without them. What they fail to mention is that 18 of the 32 companies are on record as outsourcing U.S. jobs – at least 18,600 jobs since 2001 – according to trade adjustment assistance data.

Get ready to send a message to Congress on Tuesday, October 4. We'll be asking all locals to make calls to their Representatives on the free trade agreements. A labor-wide lobby day will also be taking place that day. If you can make it to D.C. for the lobbying, let us know!