

February 13, 2008 - Slaughter Lauds Bi-Partisan Economic Stimulus Package Signed Into Law Today

FOR
IMMEDIATE RELEASE

February 13th, 2008

Slaughter Lauds Bi-Partisan
Economic Stimulus Package Signed Into Law Today

Washington, DC – Rep. Louise M. Slaughter (D-NY-28), Chairwoman of the House Rules Committee, today praised the President signing into law the bi-partisan Rebates and Economic Stimulus

for the American People Act of 2008, an economic stimulus package that uses tax rebates for families, tax breaks for small businesses, and targeted reforms to the mortgage lending market to boost the economy.

“While this legislation is only a first step on the long road to economic recovery, I am glad that we were able to come together to pass a plan to jolt our staggering economy,” said Rep. Slaughter. “With skyrocketing gas prices, health care costs, and college tuition rates, working families in Western New York and across the country are feeling the pinch of a slowing economy.”

“In our home state of New York, nearly 8.3 million households will receive rebates, with an average of \$807 per check,” continued Slaughter. “This targeted, temporary measure that combines tax rebates for over one hundred million working families, small business tax breaks, and mortgage lending reform, is a positive start to getting our nation’s economy back on track.”

BACKGROUND:

Broad-Based Relief for Individuals and Working Families

- The package contains tax rebates ranging from \$300 up to \$600 for individual taxpayers and up to \$1,200 for households, plus \$300 per child. These rebates will phase out at income levels of \$75,000 for individuals and \$150,000 for households. Rebates will be issued as early as this May and a total of over 130 million families will receive a check.
- Americans who earned at least \$3,000 in 2007 will get at least \$300 per single and \$600 per couple, plus a child tax credit of \$300 per child. Additionally, this package extends eligibility for a rebate check to 20 million seniors on Social Security, and 250,000 disabled veterans. Anyone who receives at least \$3,000 in Social Security income, self-employment income or veterans’ disability payments (including payments to survivors of disabled veterans) is eligible to receive a recovery rebate.

Boosting America’s Small Businesses

- This package doubles the amount that small businesses can write off for expensing investments from \$125,000 to \$250,000. This will encourage investment in new technology and equipment and help fortify our nation’s small businesses. The revenue level for businesses eligible for small business tax relief was also increased from \$500,000 to \$800,000.

- This package also increases bonus depreciation deduction for businesses for the 2008 calendar year from 30% to 50% of newly acquired property. This depreciation is allowable for regular and alternative minimum tax purposes. "Bonus Depreciation" was first enacted in 2002 as part of the Job Creation and Worker Assistance Act.

Helping Families Avoid Foreclosure through Mortgage Lending Reform

- This package adds a 12 month expansion of Fannie Mae and Freddie Mac conforming loan limits to add liquidity to and help boost the housing market. The plan would increase the loan limit from \$417,000 to as high as \$729,750. The package also includes an increase in the Federal Housing Administration loan limit from the current \$367,000 up to a maximum of \$729,750 for the year 2008.

More Reform is Needed

While this is an important first step towards turning our economy around, Congress must move forward with a second, more permanent economic stimulus package that focuses on social welfare programs and improving our nation's infrastructure. It is important that future stimulus plans include expanding unemployment insurance and the Food Stamp program, thereby providing additional financial security for lower and middle class Americans. Investments in our nation's infrastructure will also help create jobs while addressing our pressing public safety concerns with regards to bridge fatigue, and highway and airport safety.

###