



COALITION ON HUMAN NEEDS

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December 2, 2010

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, DC 20515

Dear Madam Speaker:

The Coalition on Human Needs (CHN) strongly supports the Middle Class Tax Relief Act of 2010 offered by Chairman Levin on the House floor today. We appreciate your leadership in bringing this important legislation to a vote.

CHN's members include service providers, faith-based organizations, policy experts, civil rights groups, labor, and many other advocates of low-income and vulnerable people at all stages of life. In a time of sharply increased poverty and joblessness, our members see the critical importance of the help provided by the refundable Child Tax Credit and Earned Income Tax Credit. Failure to continue the current levels of the Child Tax Credit would result in 600,000 more children becoming poor, and in deeper poverty for 4 million already impoverished children. The marriage penalty relief that will be continued for the Earned Income Tax Credit also lifts children and families out of poverty. More than 1,100 organizations in every state in the nation signed a letter to all Members of Congress this past June in support of maintaining and improving these two credits. It is unthinkable that Congress would allow today's already high child poverty levels to become even worse by failing to preserve these low-income tax credits. We thank you for bringing the legislation to the floor so that this unacceptably bad outcome can be prevented.

The Middle Class Tax Relief Act of 2010 is responsible in not extending tax cuts for people earning over \$250,000. We believe that the tax cuts for the wealthiest two percent should expire; the nation cannot afford their trillion dollar cost over ten years (including interest payments). Claims that the wealthiest should continue to receive additional tax cuts to spur economic growth are unfounded; other federal expenditures, including extended Unemployment Insurance and low-income tax credits, provide far more economic growth at less cost. Also groundless are assertions that small businesses will be hurt by letting the upper-income tax cuts expire. Only 3 percent of taxpayers reporting

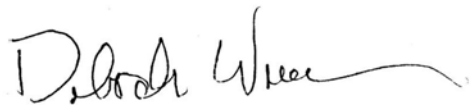
small business income earn more than \$250,000 a year; many of them are in law or real estate firms. If their income is used to pay wages of employees, it is not taxed.

We hope this legislation is swiftly enacted, to prevent a reduction in take-home pay for the vast majority of workers in January. Holding 98 percent of taxpayers hostage in order to force tax cuts that supply millionaires with additional annual tax breaks averaging \$125,000 each would be grossly irresponsible.

We stand with the majority of the public who oppose extending tax cuts to the wealthiest Americans; in a mid-November CNN poll, only 35 percent wanted to continue tax cuts for the highest income levels.

Thank you for your responsible leadership in preventing losses in income for low- and middle-income families while saying no to unaffordable additional tax cuts for the top 2 percent of earners. We urge all House Members to vote for this legislation.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Deborah Weinstein", with a long, sweeping horizontal line extending to the right.

Deborah Weinstein
Executive Director