



Press Release

--For Immediate Release--

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Organizations Urge Senate to Save the Estate Tax and Reject Dangerous "Compromise" Proposals

Washington, DC – July 26, 2005 – So-called "compromise" proposals on the estate tax offered by Senate Republicans would be just as damaging to the economy and the charitable sector as full repeal, according to a letter sent today to members of the U.S. Senate by a coalition representing 20,000 organizations with roughly 20 million members across the country.

Realizing they lack the 60 votes necessary to avoid a filibuster in the Senate, some in the pro-repeal camp are now calling for compromises that would be tantamount to repeal. The coalition urged senators to reject any "compromise" that would gut the estate tax and strip the essential revenue and incentives to charitable giving it provides.

"Powerful special interests with inside-the-beltway connections and vast amounts of money are pushing the movement to repeal the estate tax. They are distorting the issue and claiming to represent Middle America, but ultimately, repeal benefits just a handful of families the entire country over," comments Gary Bass, Executive Director of OMB Watch and co-chair of the Americans for a Fair Estate Tax coalition. "Yet repeal hurts the vast majority of Americans, pushing the federal government further into debt, pushing the tax burden further onto working families, and forcing nonprofits and charities into cut backs in services millions of Americans depend on."

The coalition letter points out the costs of estate tax repeal both to the federal government and the charitable sector, which are estimated at as much as \$1 trillion in lost federal revenue over 10 years and \$25 billion *per year* in lost donations to charities and nonprofits.

The organizations signing the letter have come together behind what they see as a key issue for ensuring fairness in tax policy for all Americans, instituting fiscal responsibility in the federal government, and strengthening American civil society. The groups represent a diverse range of issues and constituencies, including the National Farmers Union, the AFL-CIO, the Young Women's Christian Association (YWCA), Evangelical Lutheran Church, the Children's Defense Fund, the National Council on the Aging, the National Organization of Women, and Friends of the Earth.

"The diversity of the groups represented here demonstrates the estate tax has much broader and stronger support from more parts of our society than pro-repeal interests would have you believe," commented Adam Hughes, Budget Policy Analyst at OMB Watch. "I think this represents a real shift, as more and more the estate tax debate moves away from the misinformation of the "death tax" to the real value of the tax and the real cost of repeal. Millions of people from all walks of life and all across the country believe the estate tax is worth preserving."

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