

REP. DAVIS STATEMENT ON SUPPORT OF THE MIDDLE CLASS TAX RELIEF ACT OF 2010

December 2, 2010

Representative Danny K. Davis Delivered the following Statement in Support of H.R.4853.

I rise in strong support of H.R 4853 The Middle Class Tax Relief Act of 2010. During these times of severe economic needs, middle class and working families need all of the help that they can get. Extension of the alternative minimum tax for two years and extending the 2001-2003 tax cuts for marginal individual income will protect more than 25 million families from the alternative minimum tax.

This legislation will make permanent the temporally-reduced taxes on capitol gain and dividend income for taxpayers with adjusted gross income up to \$200,000 for single filers and adjusted gross income up to \$250,000 for married couples filing jointly.

The bill will maintain the current 15% rate for middle class taxpayers. Paying for higher education is becoming increasingly difficult; this bill makes permanent certain modifications to the suite of education tax incentives included in the Economic Growth and Tax Relief Reconciliation Act of 2001 – or E.G.T R.R.A. Included in this extension would be: the deduction of student loan interest (maximum of \$2,500) for single filers with adjusted gross income up to \$75,000 and married couples filing jointly with adjusted gross income of \$150,000; allowance of up to \$2,000 in contributions per beneficiary to a tax-preferred Coverdell education savings account for qualified education expenses; and extensions of tax preferences for certain bond-financing mechanisms for education facilities.

Thank you, Madam Speaker. I yield back the balance of my time.