

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. RES. 1346

Opposing the imposition of a value-added tax.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2010

Mr. HERGER (for himself, Mr. BOEHNER, Mr. CANTOR, Mr. PENCE, Mr. LANCE, Mr. TIAHRT, Mr. SAM JOHNSON of Texas, Mr. LINDER, Mr. TIBERI, Ms. GINNY BROWN-WAITE of Florida, Mr. DAVIS of Kentucky, Mr. REICHERT, Mr. BOUSTANY, Mr. HELLER, Mr. ROSKAM, Mr. BARTLETT, Mr. BARTON of Texas, Mr. BILBRAY, Mr. BISHOP of Utah, Mrs. BLACKBURN, Mrs. BONO MACK, Mr. BOOZMAN, Mr. BROUN of Georgia, Mr. BURGESS, Mr. BURTON of Indiana, Mr. CALVERT, Mr. CARTER, Mr. CHAFFETZ, Mr. COFFMAN of Colorado, Mr. CONAWAY, Mr. CULBERSON, Mr. DREIER, Ms. FALLIN, Mr. FLAKE, Mr. FLEMING, Mr. FORBES, Mr. FORTENBERRY, Ms. FOXX, Mr. FRANKS of Arizona, Mr. GALLEGLY, Mr. GARRETT of New Jersey, Mr. GOHMERT, Mr. HALL of Texas, Mr. HARPER, Mr. HASTINGS of Washington, Mr. HENSARLING, Mr. ISSA, Ms. JENKINS, Mr. JOHNSON of Illinois, Mr. JORDAN of Ohio, Mr. KING of Iowa, Mr. KINGSTON, Mr. LAMBORN, Mr. LATHAM, Mr. LATTA, Mr. LEWIS of California, Mr. LOBIONDO, Mrs. LUMMIS, Mr. MACK, Mr. MARCHANT, Mr. MCCARTHY of California, Mr. MCCAUL, Mr. MCCLINTOCK, Mr. MCHENRY, Mr. MCKEON, Mr. MICA, Mr. MORAN of Kansas, Mrs. MYRICK, Mr. NEUGEBAUER, Mr. PAULSEN, Mr. PITTS, Mr. POE of Texas, Mr. POSEY, Mr. PRICE of Georgia, Mr. ROE of Tennessee, Mr. ROGERS of Kentucky, Mr. SCALISE, Mrs. SCHMIDT, Mr. SCHOCK, Mr. SESSIONS, Mr. SHADEGG, Mr. SIMPSON, Mr. THORNBERRY, Mr. WALDEN, Mr. WILSON of South Carolina, and Mr. WOLF) submitted the following resolution; which was referred to the Committee on Ways and Means

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## RESOLUTION

Opposing the imposition of a value-added tax.

Whereas a value-added tax (VAT) is a type of sales tax that is assessed on goods at every stage of production;

Whereas a VAT is a hidden tax that is ultimately passed along to consumers, but is embedded into the price of goods and services and therefore not transparent to the consumer;

Whereas the average tax burden levied by the Federal Government since 1980 has been 18.2 percent of gross domestic product (GDP);

Whereas, within the next 15 years, Federal taxes are projected to rise to the highest level in United States history;

Whereas adding a VAT on top of the existing Federal income tax would increase the burden on United States taxpayers to unprecedented levels;

Whereas the average VAT rate in Europe has risen from 5 percent when the tax was first introduced in the 1960s to 20 percent today;

Whereas European countries that have imposed a VAT have seen their total tax burden rise to an average of over 40 percent of GDP;

Whereas such high levels of taxation and spending crowd out private investment, which stifles economic growth and leads to chronically high levels of unemployment;

Whereas the Internal Revenue Service Office of the Taxpayer Advocate has calculated that United States taxpayers spend approximately \$200 billion and 7.6 billion hours a year to comply with Federal tax laws;

Whereas a VAT would only add another layer of complexity and compliance costs to a fundamentally unsound tax system;

Whereas, on September 12, 2008, then-Senator Barack Obama told an audience in Dover, New Hampshire, that “I can make a firm pledge: under my plan, no family making less than \$250,000 will see their taxes increase—not your income taxes, not your payroll taxes, not your capital gains taxes, not any of your taxes.”;

Whereas the burden of a VAT would fall most heavily on low-income and middle-class Americans;

Whereas the true solution to the United States fiscal crisis is to rein in the unsustainable growth of Federal spending; and

Whereas a VAT would do nothing to restore fiscal accountability in Washington, but would simply bankroll wasteful and inefficient Federal Government spending: Now, therefore, be it

1       *Resolved*, That—

2               (1) it is the sense of the House of Representa-  
3       tives that imposing a value-added tax would be a  
4       massive tax increase that would cripple families on  
5       fixed income and only further push back the United  
6       States economic recovery; and

7               (2) the House of Representatives opposes a  
8       value-added tax.

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