

It is said the definition of insanity is doing the same thing over and over and expecting different results. Judging from the stubborn refusal of President Obama and the Democrat-led Congress to abandon their failed policies of big government spending and tax increases, one can only conclude they're living in denial. Unfortunately, the American people are paying the price.

Nineteen months ago, as Congress passed President Obama's \$787 billion stimulus spending bill, the nation was promised lower unemployment and a better economy. Instead of the 8 percent unemployment the president said the stimulus would deliver, today, we have a 9.5 percent national jobless rate.

And what about the economy? It's still stuck in neutral. Fearing a longer recession, Americans are not buying goods and services and businesses are not investing in expanding and hiring.

Out of ideas and out of money, Treasury Secretary Timothy Geithner has signaled the administration has an answer for the record federal budget deficits that its failed big spending policies helped to create – raise taxes!

As the country is still locked in a major economic recession, the Obama administration and the Democrat leaders of Congress have vowed not to renew some \$3.8 trillion in existing tax relief passed in 2001 and 2003. The beneficial tax cuts, which were enacted during the Bush administration, helped to lift the economy out of a previous economic slump that was compounded by the shock of the September 11, 2001, terrorist attacks.

These tax cuts were not only substantial, but they were far reaching – positively affecting practically every American taxpayer. There was something for everyone – from reducing the tax burden, or removing it altogether for the lowest income tax filers – to eliminating the onerous "marriage penalty," to providing a \$1,000 per child tax credit for struggling families.

Lower rates on dividends also spurred business growth and bolstered seniors' retirement accounts.

The only negative aspect to the Bush tax relief was that it was never made permanent and is due to expire at the end of this year. Seizing on that flaw, President Obama and Speaker Pelosi are salivating at the idea of getting their hands on the trillions of dollars that would result from the reinstatement of previous tax rates on most Americans.

President Obama and Speaker Pelosi know full well the public would never stand for a huge tax increase in the middle of a recession, so they are suggesting only allowing taxes to increase on Americans making more than \$200,000 a year.

Whether they abide by their pledge remains to be seen, but even if they do, the result would be a direct hit on America's small business owners who provide the majority of the country's jobs. Pounding small business with higher taxes and removing investment incentives in this economy is tantamount to tossing a cement block to a drowning man.

Businesses, already weighted down by the costly mandates of the new health care reform law and threats of a national energy tax, have no incentive to grow or hire.

Some might even shut their doors.

President Obama should listen to the many economists and business owners who have said keeping this tax relief is one of the best ways to stimulate business and the economy.

### **South Alabama Town Meetings:**

A reminder that this week I will be holding town hall meetings in all six counties of Alabama's First District. I hope each of you will take the opportunity to come out to visit with my staff and me at one of these meetings.

### **Monday, August 23**

8:30 -9:30 a.m. – Bayou La Batre City Hall

11:00 a.m.-Noon – Dauphin Island Town Hall

2:30 - 3:30 p.m. – Satsuma City Hall

4:30 - 5:30 p.m. – Semmes Community Center

**Tuesday, August 24**

9:00 – 10:00 a.m. – Chatom Community Center

11:00 a.m. – Noon – Jackson City Hall

2:30 – 3:30 p.m. – Monroeville, Old Monroe County Courthouse

**Wednesday, August 25**

9:00 – 10:00 a.m. – Brewton City Hall

11:00 a.m. – Noon – Flomaton City Hall

2:00 – 3:00 p.m. – Atmore Municipal Auditorium

**Thursday, August 26**

10:00 – 11:00 a.m. – Fairhope City Hall

1:00 – 2:00 p.m. – Gulf Shores City Hall

3:00 – 4:00 p.m. – Orange Beach City Hall

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.