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Republican Policy Committee

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How to Avoid the Largest Tax Hike in History: Make the Bush Tax Cuts Permanent

Executive Summary

- The first term of the Bush Administration produced significant tax relief for American taxpayers. Despite their beneficial effects, the Bush tax cuts are only temporary. If they are allowed to expire, the country will face a series of tax hikes totaling more than $1.2 trillion over the next 10 years – an annual increase of about $1,184 for an average taxpayer.
- Moreover, expiration of these tax provisions will cause federal revenues to rise to nearly 20 percent of the nation's GDP over the next 10 years, diverting hundreds of billions of dollars away from productive use in the private sector and into the government's coffers.
- Congress has an opportunity to avoid a crippling blow to the economy by making the tax cuts permanent as soon as possible. Special attention must be given to three growth-oriented aspects of the tax cuts, which hold the greatest potential for the nation's long-term economic growth:
  - ➢ Increased small business expensing – This provision has boosted the capital expenditures of non-corporate businesses by more than $192 billion in the year ending in the third quarter of 2004, a year-over-year increase of 4.5-percent. Immediate expensing also represents significant tax reform by allowing small firms to avoid the onerous recordkeeping and lengthy cost-recovery periods under the depreciation rules.
  - ➢ Reduced tax rates on dividends and capital gains – These rate reductions have lowered the cost of capital for American businesses, enabling them to invest in new equipment and create more jobs. Lower rates have also prompted a $26-billion increase in regular dividends paid by S&P 500 companies in the year following the 2003 tax legislation, which benefits *all* taxpayers who own dividend-paying stocks.
  - ➢ Lower individual tax rates – These tax cuts have been fundamental to small business' increased capital investment and creation of new jobs. Lower tax rates also increase productivity, encourage economic growth, and produce higher standards of living.
- The tax cuts have a strong record of success – 11 consecutive quarters of economic growth and nearly 1.6 million net new payroll jobs since the recession ended in November 2001. The U.S. economy simply cannot afford to let them expire.

Introduction

In the first term of the Bush Administration, Congress enacted significant tax relief for all American taxpayers. These tax cuts included reductions in the individual tax rates, family tax relief, educational-savings enhancements, expansion of retirement-savings opportunities, reduction of taxes on dividends and capital gains, business investment incentives, and the termination of the estate or "death" tax. A majority of these changes were phased-in through the Economic Growth and Tax Relief Reconciliation Act of 2001 (2001 tax cuts), and subsequently, Congress enacted the Jobs and Growth Tax Relief Reconciliation Act of 2003 (2003 tax cuts) to make most of the 2001 tax cuts effective immediately.[1] Most recently, several of the tax cuts set to expire in the near term were extended through the Working Families Tax Relief Act of 2004.[2]

In large measure, the tax cuts were enacted to help stimulate the economy following its slow recovery from the 2001 recession.[3] However, a number of the provisions were specifically designed to provide a more growth-oriented tax policy that will provide long-term economic benefits. From both perspectives, the Bush tax cuts have been a success – moving the nation's economy back into recovery in the short term, and paving the way for an extended period of economic growth in the long term.

The Looming Tax Hike

Despite their beneficial effects, the Bush tax cuts have been constrained by their pending expiration. During the next several years, if the tax cuts are allowed to expire, the country will face a series of tax hikes that together will end up being the largest tax increase in history. According to the most recent estimates by the Congressional Budget Office (CBO), the expiration of the tax cuts enacted in 2001 and 2003 will result in a tax increase of more than $1.2 trillion over the next 10 years.[4] With American taxpayers – single individuals and families – filing more than 105.5 million tax returns according to the most recent data,[5] the CBO estimate represents an increase of about $1,184 in the annual tax burden of an average taxpayer.[6]

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[1] H.R. 1836, 107th Congress, 1st Session, Public Law 107-16, June 7, 2001; H.R. 2, 108th Congress, 2d Session, Public Law 108-27, May 28, 2003.

[2] H.R. 1308, 108th Congress, 2d Session, Public Law 108-311, October 4, 2004.

[3] In fact, one study has concluded that because they were effective immediately, the 2003 tax cuts were far more stimulative than the 2001 tax cuts and caused "employment, output and investment to all rise sharply." Christopher L. House and Matthew D. Shapiro, "Phased-in Tax Cuts and Economic Activity," National Bureau of Economic Research (NBER), Working Paper 10415, April 2004, p. 20 – http://papers.nber.org/papers/w10415.pdf. "While there are, of course, many other factors that influenced employment and production decisions, it is likely that the phase-in features of the 2001 law contributed to the tepid economic performance of the [2001 to mid-2003] period." pp. 20-21.

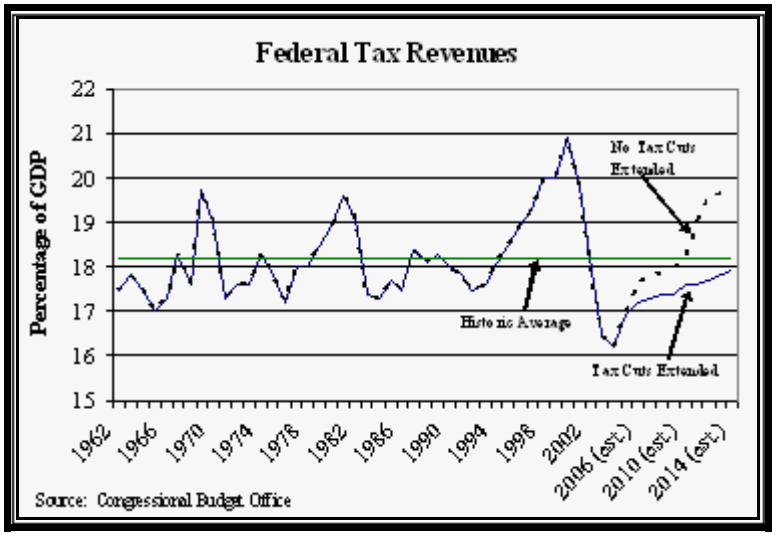
[4] Congressional Budget Office (CBO), "The Budget and Economic Outlook: An Update," Table 1-6, September 2004 – http://www.cbo.gov/ftpdocs/57xx/doc5773/08-24-BudgetUpdate.pdf.

[5] Department of Treasury, "State-By-State Breakdown of the Combined Effects of The Economic Growth and Tax Relief Reconciliation Act of 2001 & The Jobs and Growth Tax Relief Reconciliation Act of 2003," April 1, 2004, js-1284 – http://www.treasury.gov/press/releases/reports/table.pdf.

[6] This figure assumes that the tax increase will be evenly distributed over the 10-year period. In reality, the figure is likely to be lower at the beginning and then rise over the 10-year period.

More broadly, as Figure 1 below illustrates, if these tax provisions are not extended, federal revenues will rise rapidly over the next 10 years, approaching 20 percent of the nation's gross domestic product (GDP). As a result, hundreds of billions of dollars each year will be withheld from productive use in the private sector, diverted instead into the federal government's tax coffers. Conversely, if the 2001 and 2003 tax cuts are made permanent, the nation's tax burden will remain in the range of its historic average over the past 40 years as a percentage of GDP, thereby increasing the potential for long-term economic growth.

Figure 1



While opponents have argued that repealing the tax cuts or allowing them to expire will address the federal government's budget deficit, they overlook the fact that the corresponding tax hike will have devastating consequences for the economy and will likely produce the contrary result. Less capital in the private sector will increase financing costs for American businesses, hindering their ability to make capital investments, expand their operations, and provide critical jobs. Moreover, slower economic growth – or worse, a recession – will have adverse effects on tax revenues, resulting in additional budgetary challenges for the federal government.

As these tax provisions begin to expire – as soon as 2005 for some – Congress has an opportunity to avoid a crippling blow to the economy by making the tax cuts permanent as soon as possible. In particular, special attention must be given to three specific aspects of the 2001 and 2003 tax cuts: the increase in small business expensing; the lower tax rates on dividends and capital gains; and the reduction in the individual tax rates. These provisions are fundamental improvements to the national tax policy and hold the greatest potential for long-term economic growth for the nation.[7]

Increased Small Business Expensing

A key feature of the 2003 tax cuts was the increased amount of new equipment that small businesses can deduct immediately rather than depreciate over a period of years. Specifically, the legislation increased the limitation from $25,000 to $100,000, and it expanded the phase-out limit from $200,000 to $400,000, allowing businesses to purchase larger amounts of new

[7]Other provisions of the 2001 and 2003 tax cuts – including the repeal of the death tax and expansion of tax-preferred educational and retirement-savings accounts – also have economic-growth potential; however, these issues will be addressed outside of this paper.

equipment and still qualify for immediate expensing.[8] The legislation also allows purchases of computer software to qualify for expensing.[9] Under current law, however, these important provisions are set to expire at the end of 2007.[10]

Since the increase in small business expensing was enacted in 2003, it has contributed greatly to the growth of small business' capital investment. Capital expenditures by non-corporate businesses rose by more than $192 billion in the year ending in the third quarter of 2004, a year-over-year increase of 4.5-percent.[11] The NFIB Research Foundation survey of small businesses confirms that small businesses making capital expenditures have continued to increase since the enactment of the 2003 tax-rate reductions, growing by 7 percentage points in the 18 months since June 2003.[12] Moreover, according to the December 2004 survey, 38 percent of small business owners plan on making capital expenditures in the next three to six months – a percentage well above the 25-percent record low in August 2002.[13]

Increased expensing also amounts to significant tax reform because it permits small businesses to avoid the complex depreciation rules. For example, a small company that purchases new computer equipment can deduct the cost immediately instead of having to apply the current depreciation rules, which require taxpayers to deduct the cost over five years[14] – a period that bears little relation to the economic useful life of today's computers.

If the expensing limitation is allowed to revert to its previous $25,000 level, the tax burden on small businesses will increase dramatically – amounting to approximately a $1.1 billion tax hike on small businesses.[15] The likely result will be a drop in capital investments. In fact, as one small business accountant noted at the recent White House Conference on the Economy, small businesses tend to stop investing in new equipment as they reach the limit on expensing rather than become mired in the depreciation rules.[16] Accordingly, a reversion to the historic expensing limit will amount to as much as $75,000 in foregone investment by a small firm each year. Failure to take advantage of such investment opportunities not only threatens the

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[8]Jobs and Growth Tax Relief Reconciliation Act § 202(a).

[9]Jobs and Growth Tax Relief Reconciliation Act § 202(c).

[10]Under the 2003 tax cuts, the small business expensing improvements were scheduled to expire at the end of 2005. A two-year extension of these provisions was enacted as part of the American Jobs Creation Act of 2004, H.R. 4520, 108th Congress, 2d Session, Public Law 108-357, § 201, October 22, 2004.

[11]Federal Reserve, "Flow of Funds Accounts of the United States, Flows and Outstandings, Third Quarter 2004," December 9, 2004, Table R.103.

[12]NFIB Research Foundation, "Small Business Economic Trends," January 2005, p. 16 – http://www.nfib.com/page/researchFoundation.

[13]NFIB Research Foundation, p. 17.

[14]Section 168(e)(3)(B) of the Internal Revenue Code of 1986, as amended.

[15]Joint Committee on Taxation, Estimated Budget Effects of the Conference Agreement for H.R. 4520, the "American Jobs Creation Act of 2004," JCX-69-04, October 7, 2004 – http://www.house.gov/jct/x-69-04.pdf. (This estimate does not include the two-year extension to the expensing provisions that was enacted by H.R. 4520.)

[16]June Lennon, CPA, Partner and Owner, Martin and Lennon, Greenville, South Carolina, remarks at the White House Conference on the Economy, December 15, 2004.

growth of the small enterprises, but also the economic health of the countless businesses in the supply chain of the equipment that small businesses otherwise would have purchased.[17]

Lower Dividend and Capital Gains Rates

One of the most significant provisions of the 2003 tax cuts was the reduction of the tax rate applicable to dividends and capital gains received by individual taxpayers.[18] Prior to that change, dividends were taxed at a taxpayer's marginal tax rate, which in 2002 could be as high as 38.6 percent. The 2003 tax cuts reduced the dividend-tax rate to 15 percent for most taxpayers (and to 5 percent for taxpayers in the lowest two tax brackets).[19] In addition, 2003 tax cuts reduced the capital-gains tax rate from 20 percent to 15 percent, making the taxation of returns on capital – be it through dividends or capital gains – equivalent.[20]

From the business perspective, the dividend and capital-gains rate reductions have resulted in an effective reform of corporate America by reducing the cost of capital for American corporations,[21] enabling them to invest in new equipment and create jobs more effectively. In addition, the rate reductions have provided an incentive for managers to reinvest corporate earnings more efficiently and return unneeded earnings to the shareholders.[22] These changes also promote straightforward corporate accounting, since regular dividends can only be paid out of actual cash earnings.[23] Similarly, corporate balance sheets benefit from the increased use of common stock, rather than debt, to raise capital.[24]

Despite charges that the reductions in the taxes on capital investments would amount to little more than a tax cut for the "rich," these improvements in the nation's tax policy have also resulted in far-reaching benefits for millions of American households. For example, the reduction in the dividend-tax rate prompted a $26-billion increase in regular dividends paid by

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[17]Ideally, to maximize the economic benefit, immediate expensing of capital investments should be expanded to all businesses, not just small enterprises. Such a change would also eliminate the significant compliance burden posed by the current depreciation rules.

[18]For a complete discussion of the benefits resulting from the lower tax on dividends, see the RPC's policy paper, "The Dividend-Tax Cut: A Success Story with More Potential," October 4, 2004 – http://rpc.senate.gov/_files/Oct0404DividendTaxMW.pdf.

[19]Jobs and Growth Tax Relief Reconciliation Act § 302. For taxpayers in the bottom two tax brackets, the tax on dividends will be eliminated beginning in 2008.

[20]Jobs and Growth Tax Relief Reconciliation Act § 301. Paralleling the treatment of dividends, for taxpayers in the bottom two tax brackets, the tax on capital gains will be eliminated beginning in 2008.

[21]Joint Economic Committee (JEC), "Who Benefits from Ending the Double Taxation of Dividends?" February 2003, p. 9 – http://jec.senate.gov/_files/DividendDoubleTax.pdf.

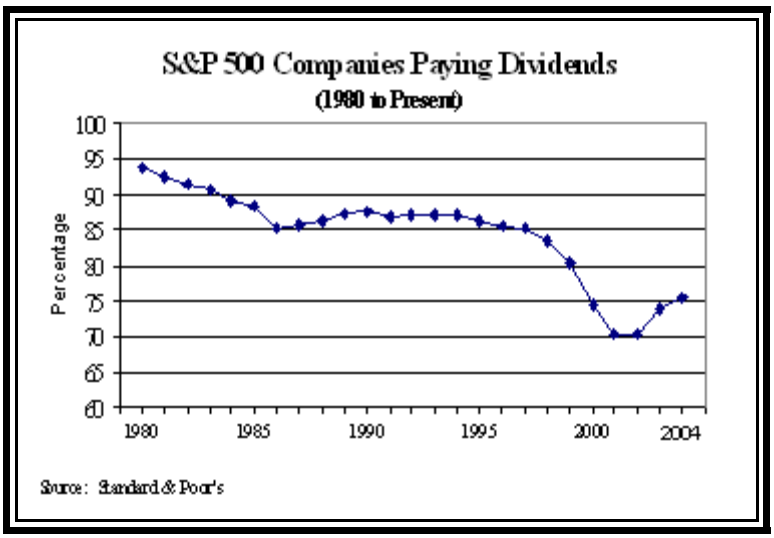
[22]Frank A. Fernandez, "Dividend Tax Cuts Deemed Effective," SIA Research Report, Volume V, No. 8, August 2, 2004, p. 10 – http://www.sia.com/research/.

[23]Dan Clifton, "Incentives Matter: A Lesson," *Tech Central Station*, July 23, 2004 – http://www2.techcentralstation.com/1051/defensewrapper.jsp?PID=1051-350&CID=1051-072304F.

[24]JEC, "Who Benefits from Ending the Double Taxation of Dividends?" p. 7; Trevor S. Harris, R. Glenn Hubbard, and Deen Kemsley, "The Share Price Effects of Dividend Taxes and Tax Imputation Credits," NBER Working Paper 7445, December 1999, p. 33 – http://papers.nber.org/papers/w7445.pdf.

S&P 500 companies in the year following the enactment of the 2003 tax cuts.[25] The increase in regular dividend payments has also reversed a trend of declining dividend distributions among S&P 500 companies over the past decade, as Figure 2 illustrates. Moreover, in the year following enactment of the lower dividend-tax rate, 113 publicly traded corporations *initiated* dividend payments for the first time, compared to an average of 22 companies in prior years.[26]

Figure 2



While opponents have argued that the increase in corporate dividends only benefits upper-income investors owning stock in taxable accounts, increased dividends translates into benefits to *all* taxpayers who own dividend-paying stocks. With an estimated 79 percent of equity investors participating in or covered by tax-deferred retirement plans,[27] the increase in corporate dividends results in additional contributions to retirement income, which can then compound tax-free until they are withdrawn.[28]

In addition, to the extent that rising dividends result in increased stock prices,[29] shareholders receive an added benefit. As a stock's price increases, investors realize larger capital gains when they choose to sell the equity investment, again regardless of whether it is held in a taxable or tax-deferred account.[30] And, due to the 2003 tax cuts, capital gains realized in a taxable account are now taxed at a lower 15-percent tax rate. In short, the impressive results of the dividend-tax reduction translate into real benefits for *all* individuals who receive dividends from corporate investments, potentially benefitting a majority of all households nationwide.[31]

While the dividend-tax cut has produced remarkable results to date, its lack of permanence may well be preventing it from reaching its full potential. The significant number of

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[25]Stephen Moore and Phil Kerpen, "Show Me the Money! Divident Payouts after the Bush Tax Cuts," Cato Institute, October 11, 2004 – http://www.cato.org/pubs/briefs/bp-088es.html.

[26]Raj Chetty and Emmanuel Saez, "Do Dividend Payments Respond to Taxes? Preliminary Evidence from the 2003 Dividend Tax Cut," NBER Working Paper 10572, June 2004, p. 3 – http://papers.nber.org/papers/w10572.pdf.

[27]"Equity Ownership in America, 2002," Investment Company Institute and Securities Industry Association, p. 19 – http://www.sia.com/research/pdf/equity_owners02.pdf.

[28]JEC, "Who Benefits from Ending the Double Taxation of Dividends?" p. 7.

[29]James Poterba, "Taxation and Corporate Payout Policy," NBER, Working Paper 10321, February 2004, pp. 6-7 – http://papers.nber.org/papers/w10321.pdf; Kevin A. Hassett, "Dividend Tax Cut Makes Sense," American Enterprise Institute, December 1, 2003 – http://www.aei.org/news/filter.,newsID.19615/news_detail.asp.

[30]JEC, "Who Benefits from Ending the Double Taxation of Dividends?" p. 8.

[31]"Equity Ownership in America, 2002" Figure 17.

new and increased dividend payments over the past year and a half likely represent the level that corporate management believes can be sustained in the worst-case scenario – the dividend-rate cut expires at the end of 2008.[32] And, as that expiration date approaches, the pressure for corporations to restrain their dividend distributions will undoubtedly worsen.

Moreover, individual investors are certain to react to the pending expiration of the dividend and capital-gains rate reductions. Between May 28, 2004, when the 2003 tax cuts were signed into law, and the end of 2004, the Dow Jones Industrial Average (DJIA) rose by nearly 2,000 points.[33] While a variety of factors may account for this substantial increase, the influence of the dividend and capital-gains rate reductions cannot be overlooked. Since individuals tend to invest for the long-term, they will likely respond to the looming expiration date by trading stocks to take advantage of the temporary low dividends and capital-gains rates, which could roil the markets as 2008 approaches.[34]

If the success of the dividend and capital-gains tax cuts is to continue and they are to reach their full potential, Congress must make this growth-oriented tax policy permanent as quickly as possible. While critics complain that the cost is too high, they overlook that the reduced dividend and capital-gains tax rates mean far more than simply lower taxes for investors. The rate reductions translate into lower capital costs, which in turn produce economic growth for the nation. According to a recent paper by N. Gregory Mankiw and Matthew Weinzierl, up to half of the cost of a cut in capital taxes can be recovered through increased economic activity and the resulting increase in tax revenues.[35] With that kind of economic potential, can the country really afford not to extend the lower tax rate on dividends and capital gains?

Reduced Individual Tax Rates

The core of the Bush tax cuts was the reduction in the individual tax rates. As illustrated by Figure 3, the full implementation of the individual rate reductions in 2003 produced a dramatic decline in the tax burden for all American taxpayers. Under current law, these lower tax rates are scheduled to expire at the end of 2010, along with the majority of the other tax cuts enacted in 2001 and 2003.

Figure 3
Change in Individual Tax Rates

2000 Tax Rates	2003-2010 Tax Rates
15%	10%
	15%
28%	25%
31%	28%
36%	33%
39.6%	35%

Source: Internal Revenue Code

In large measure, the reductions in the individual tax rates were predicated on the benefits they produce for the nation's more than 23 million

[32]Robert D. Arnott and Clifford S. Asness, "Surprise! Higher dividends = higher earnings growth," *Financial Analysts Journal*, January/February 2003.

[33]See "Historical Prices" for DJIA Index (^DJI) at http://finance.yahoo.com/.

[34]"Tax Cut Worrywarts," *Wall Street Journal*, December 16, 2004.

[35]N. Gregory Mankiw and Matthew Weinzierl, "Dynamic Scoring: A Back-of-the-Envelope Guide," National Bureau of Economic Research, Working Paper 11000, December 2004 – http://papers.nber.org/papers/w11000.pdf. (Dr. Mankiw authored this paper in his personal capacity, not as the chairman of the President's Council of Economic Advisors.)

small businesses.[36] The vast majority of these small businesses are organized as "flow-through" entities, such as sole proprietorships, partnerships, and S corporations. Accordingly, the business income flows through to the owners where it is taxed only at the individual level, freeing these small businesses from the corporate-level ("double") taxation borne by most major corporations. As a result of the 2001 and 2003 tax cuts, the business income is taxed at a lower rate regardless of whether the small business owner is in the top or the bottom tax bracket.

This is important because, as the Joint Economic Committee has noted, "research suggests that cutting marginal tax rates – particularly the top . . . rate faced by many small businesses today – is an effective way of encouraging entrepreneurs to invest in and expand their businesses."[37] Together with the increase in the small business expensing limitations, the reduced tax rates have produced significant investment growth among small businesses in new equipment, as discussed above.[38]

Similarly, the rate cuts were intended to increase the potential that small business owners would hire employees and lead to higher wages for those workers.[39] In fact, a significant portion of the more than 2.6 million net new payroll jobs added to the economy since August of 2003[40] can be attributed to small businesses, since they have historically contributed from 60 percent to 80 percent of new employment opportunities, according to the Small Business Administration.[41]

Moreover, as employment has increased, wages have followed suit. For 2004, average weekly payroll wages for private-sector production or non-supervisory workers increased by 3.3 percent.[42] Similarly, the NFIB Business Research Foundation's surveys find that since the tax-rate reductions were enacted in 2003, an increasing number of small businesses report that they have increased wages, and the December 2004 survey suggests that they will continue doing so in the next three months.[43]

In addition to their effect on investment and employment, the reductions in the individual tax rates enable small enterprises to grow overall. According to Harvey Rosen, a member of the President's Council of Economic Advisors, "the greater the reduction in [small business owners']

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[36]U.S. Small Business Administration (SBA) Office of Advocacy, "Small Business by the Numbers," December 2003 – http://www.sba.gov/advo /stats/sbfaq.pdf. The SBA defines a small business as "an independent business having fewer than 500 employees."

[37]JEC, "How the Top Individual Income Tax Rate Affects Small Businesses," May 6, 2003, p. 2 (citing Robert Carroll, Douglas Holtz-Eakin, Mark Rider, and Harvey S. Rosen. "Entrepreneurs, Income Taxes, and Investment," in *Does Atlas Shrug*, Joel B. Slemrod, ed. (Russell Sage Foundation, 2000)) – http://jec.senate.gov/ _files/SmallBusiness.pdf.

[38]See page 4 above.

[39]JEC, "How the Top Individual Income Tax Rate Affects Small Businesses," p. 2 (citing Robert Carroll, Douglas Holtz-Eakin, Mark Rider, and Harvey S. Rosen. "Income Taxes and Entrepreneurs' Use of Labor." *Journal of Labor Economics* XVIII (1999)).

[40]JEC, "How Many New Jobs?" – http://jec.senate.gov/index.cfm?FuseAction=Charts.Detail&Image_id=89 (accessed January 10, 2005).

[41]SBA Office of Advocacy.

[42]BLS, "The Employment Situation: December 2004," Table B-3, USDL 05-30, January 7, 2005 – http://www.bls.gov/news.release/pdf/empsit.pdf .

[43]NFIB Research Foundation, p. 11.

marginal tax rates, the greater the increase in the size of their businesses."[44] Based on Dr. Rosen's estimates of the 2001 and 2003 rate cuts, reducing the top tax rate alone will increase the size of an entrepreneur's business – measured by gross receipts – by about 6.4 percent.[45]

More broadly, individual tax rates have a significant impact on the nation's labor supply. As Dr. Edward Prescott, the latest recipient of the Nobel Prize in Economics, has demonstrated, a lower marginal tax rate produces an incentive for individuals to work more since they will keep more of their earnings after taxes.[46] As a result, lower tax rates tend to increase the nation's productivity, encourage economic growth, and produce higher standards of living. In addition, Dr. Prescott notes that lower tax rates discourage individuals from using the underground economy (e.g., barter transactions on which taxes are generally, albeit unlawfully, not paid) to reduce their tax liabilities. In short, Dr. Prescott concludes that lower tax rates "would increase the labor supply, output would grow, and the tax revenues would increase."[47]

With the demonstrated positive impact of lower individual tax rates on small businesses and the overall labor supply, the key policy question for Congress is whether the country really can afford to let the tax rates revert to their pre-2001 levels.

Conclusion

The tax cuts enacted in President Bush's first term have a strong record of success to date – 11 consecutive quarters of economic growth[48] and nearly 1.6 million net new payroll jobs[49] since the recession ended in November 2001. Nevertheless, that successful trend is in jeopardy if these tax cuts are allowed to expire and American taxpayers are saddled with the largest tax increase in the nation's history. With estimates showing that taxes could grow to nearly 20 percent of GDP if the tax cuts are not extended, the U.S. economy simply cannot afford to let them expire. Moreover, while their record of success is impressive, if their true potential is to be realized, Congress should act as soon as possible to make these tax cuts permanent, or at least extend them to the greatest extent possible.

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[44]Harvey S. Rosen, "The Case for Making the Tax Cuts Permanent," Remarks before the National Tax Association Spring Symposium, May 20, 2004 – http://www.whitehouse.gov/cea/nta-spring.html.

[45]Rosen.

[46]Edward C. Prescott, "Why Do Americans Work So Much More Than Europeans?" Federal Reserve Bank of Minneapolis Quarterly Review, Vol. 28, No. 1, July 2004 – http://minneapolisfed.org/research/qr/qr2811.html. Steven J. Davis and Magnus Henrekson reached similar conclusions in "Tax Effects on Work Activity, Industry Mix and Shadow Economy Size: Evidence from Rich-Country Comparisons," NBER, Working Paper 10509, May 2004 – http://papers.nber.org/papers/w10509.

[47]Edward C. Prescott, "Why Do Americans Work More Than Europeans?" *Wall Street Journal*, October 21, 2004.

[48]Bureau of Economic Affairs, "Gross Domestic Product: Third Quarter 2004 (Final)" BEA 04-61, December 22, 2004, Table 1 – http://www.bea.gov/bea/newsrelarchive/2004/gdp304f.pdf.

[49]JEC, "How Many New Jobs?"