



AMERICANS *for* TAX REFORM

May 19, 2009

The Honorable Tom Coburn
Russell Senate Office Building, SR-172
Washington, DC 20510-3604

The Honorable Richard Burr
Russell Senate Office Building, SR-217
Washington, DC 20510-3308

Dear Senators Coburn and Burr,

Thank for your letter dated May 19, 2009, which offers assurances to taxpayers and to your colleagues in the House and Senate that your healthcare reform proposal, the Patients' Choice Act, is tax-revenue neutral and does not violate the Taxpayer Protection Pledge signed by both of you and more than 30 of your colleagues in the Senate and more than 170 in the House.

Americans for Tax Reform supports moving toward individual choice and control in healthcare, and away from one-size-fits-all government solutions. As you state in your letter, it is critical for the future of the healthcare of all Americans that a government run/ single-payer healthcare system be rejected. Your initiative and effort is to be applauded.

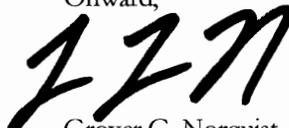
As your bill laudably shifts the tax treatment from the employer to individual, in order to avoid a net tax increase it is necessary for all gross tax increases to be at least fully offset by gross tax revenue reductions, excluding, of course the outlay effects of refundable credits.

For this reason, taxpayers and your colleagues who have signed the Pledge are very grateful for your commitment that "the revenue raised by the repeal of the tax exclusion will be entirely offset by the gross tax reduction effect of the tax credit." As they are by your statements that this shift even results in a net tax cut. Our economy is already overtaxed.

In addition, both taxpayers and Pledge signatories can be assured by your commitment to amend or reintroduce the Patients' Choice Act, should it become clear that your bill has inadvertently resulted in a net income tax increase. That commitment allows Pledge takers to support your legislation and to vote for final passage of your tax-neutral bill.

Once again, thank you for your effort to bring needed free-market reforms to our nation's healthcare sector, and to reduce costs for all Americans. Thank you for your commitment to taxpayers, both by signing the Taxpayer Protection Pledge, and your renewed commitment to keep that Pledge in your recent letter.

Onward,



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