

# GOP still dislikes report

It's a key Republican argument in the fiscal cliff debate: Raising taxes on the wealthiest Americans hurts economic growth and kills jobs.

Senate Minority Leader Mitch McConnell, R-Ky., made that point in a Senate speech on Nov. 29, and in many other speeches before and since then: "We're insisting on keeping tax rates where they are, first and foremost, to protect jobs."

Last September, the non-partisan Congressional Research Service put out a report analyzing the relationship between tax rates for the highest-income taxpayers and economic growth.

The report found: "There is not conclusive evidence ... to substantiate a clear relationship between the 65-year steady reduction in the top tax rates and economic growth.

Analysis of such data suggests the reduction in the top tax rates have had little association with saving, investment, or productivity growth."

However, the report added, "the top tax rate reductions appear to be associated with the increasing concentration of income at the top of the income distribution."

"It is reasonable to assume that a tax rate change limited to a small group of taxpayers at the top of the income distribution would have a negligible effect on economic growth," the CRS said.

McConnell and other Republicans did not like the report. McConnell spokesman Don Stewart told The New York Times that the senator and other GOP lawmakers "raised concerns about the methodology and other flaws" in the report. Stewart said the study also had been criticized by people outside of Congress, adding that the CRS "decided, on their own, to pull the study pending further review."

Well, the review is over and the report reappeared last week. With some minor tweaks in language (it replaced phrases like "millionaires" and "the very rich" with "high-income tax payers," for example), the CRS stuck with its conclusions.

Janine D'Addario, spokesman for the CRS, was quoted

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by Roll Call as saying the original report was withdrawn to provide "more

extensive documentation and explanation of the methodology underlying the economic analysis." "CRS is committed to

producing objective analysis without advocating particular courses of action," D'Addario said. McConnell did not

comment, but Antonia Ferrier, spokeswoman for Utah Sen. Orrin Hatch, the senior Republican on the Senate Finance Committee, signaled an apparent end to the controversy.

"While we don't agree with its conclusions or even the questions they pose, we appreciate that the Congressional Research Service (CRS) heard us out and agreed that the report needed to be modified," she said in a memo to reporters.

Democrats had charged that the CRS had caved under GOP pressure. Ferrier countered that the Democrats had turned the issue "into a political football."

In any case, Democratic House members said the CRS conclusions should end Republican opposition to a tax increase on the wealthy.

"It puts a stake in the heart of the Republican argument that small increases in the marginal tax rates for wealthy individuals somehow hurt economic growth," said Maryland Rep. Chris Van Hollen, the senior Democrat on the House Budget Committee.

Ferrier on Thursday offered three other reports that she said show that raising taxes affects economic growth.

So the CRS report did not end the debate.

## Yarmuth: no change in Medicare age

As the talks between President Barack Obama and House Speaker John Boehner, R-Ohio, continue in an effort to find a solution to the fiscal cliff crisis, lawmakers in both parties are trying to draw lines on how far they will compromise.

For most Republicans, raising taxes on any Americans, even on the wealthiest, remains a barrier to a deal.

For Democrats, changes to the nation's largest social programs, like Social Security and Medicare, are off the table.

Last week, Rep. John Yarmuth, D-3rd District, was among 83 House Democrats who sent a let-

ter to the president urging him not to use the Medicare eligibility age as part of a fiscal cliff solution.

"Raising the Medicare age doesn't cut costs — it simply shifts those costs to those who depend on Medicare, to younger Americans who buy insurance through the new health insurance exchanges, and to states," Yarmuth and his colleagues wrote.

They pointed to a Kaiser Family Foundation estimate that the costs to states and the private sector from raising the eligibility age would come to \$11.4 billion, double the estimated \$5.7 billion in savings.

"For our colleagues to consider raising the eligibility age illustrates that their desire has less to do with addressing rising longer health care costs than it does being able to claim an ideological triumph," the Democrats said.

## Lugar is given Ukrainian award

Last week was a time for tributes and farewell speeches for members of Congress, including Sen. Richard Lugar, R-Ind.

And, in the Hoosier senator's case, he also added an award to many he has received for his work in foreign relations and his support for the destruction of weapons of mass destruction through the program he set up with former Sen. Sam Nunn, D-Ga.

The Ukrainian Congress Committee of America gave Lugar the Shevchenko Freedom Award, "for his commitment to pursuing steadfast relations with Ukraine in recognition of Ukraine's vital importance to the peace and security of the European continent."

Lugar has monitored elections in Ukraine and the Nunn-Lugar program eliminated the nuclear weapons there, transforming that nation from the world's third-largest nuclear power to a nuclear-free country.

The ranking Republican on the Senate Foreign Relations Committee, Lu-

gar has regularly visited Ukraine for meetings with top officials on issues including energy and trade.

## Taft honored with Christmas ornament

The 2012 White House Christmas Ornament has been available for some weeks now.

Each year's ornament honors a president, and this year it is William Howard Taft.

The ornament depicts the president and first lady Helen Taft with a pile of gifts, riding in a magnificent green Model M, built by the White Motor Co. in Cleveland. The seven-passenger, steam-powered touring car is being driven by chauffeur George H. Robinson. The vehicle's doors are embellished with the Great Seal of the United States.

Taft introduced automobiles to the White House in 1909, putting horse-drawn transportation in the stables forever.

The ornament "celebrates President Taft's adoption of the automobile, his love of manufacture and invention, and his ready acceptance of modernity," the White House Historical Association explains on its website.

The ornament is available from the association for \$17.95. You may contact the White House Historical Association, P.O. Box 96586, Washington, D.C. 20090-6586; or the toll-free number is (800) 555-2451. You also can find more information online at [www.whitehouse-history.org](http://www.whitehouse-history.org).

As always, all proceeds from sales go to the nonprofit association's purchase of furnishings and art for the permanent White House collection and for the preservation of the White House's public rooms.

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