

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

# H. RES. 1245

Expressing the sense of the House of Representatives that the Value Added Tax is a massive tax increase that will cripple families on fixed income and only further push back America's economic recovery.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2010

Mr. TIAHRT submitted the following resolution; which was referred to the Committee on Ways and Means

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## RESOLUTION

Expressing the sense of the House of Representatives that the Value Added Tax is a massive tax increase that will cripple families on fixed income and only further push back America's economic recovery.

Whereas a Value Added Tax (VAT) is a sales tax imposed on each stage of production, on each firm's value added;

Whereas a VAT is not a national sales tax (NST), a NST is a Federal consumption tax collected only at the retail level by vendors;

Whereas a VAT is a tax on the transfer of goods and services at every stage of production;

Whereas a VAT is ultimately hidden from the end user;

Whereas the VAT unfairly targets low and middle income wage earners by assessing value on every production activity and passing the cost on to the consumer;

Whereas Americans have already been subject to one of the highest tax increases in our Nation's history as part of recently passed health care reform;

Whereas the VAT has been widely adopted by European nations and is routinely cited as encouraging public spending at the cost of private job creation;

Whereas Denmark enacted a 9 percent VAT in 1962;

Whereas Denmark's VAT has surged to 25 percent in 2010;

Whereas like Denmark, as the government's thirst for revenue increases, the VAT will be used to quench its thirst;

Whereas the solution to America's worsening government fiscal outlook is not to increase taxes;

Whereas the solution to America's economic situation is to cut spending; and

Whereas Congress could get America's economy back on track by focusing on tax relief and simplification, liability reform, regulatory reform, health care security, and energy independence: Now, therefore, be it

- 1       *Resolved*, That the House of Representatives con-
- 2       siders the Value Added Tax a massive tax increase that
- 3       will cripple families on fixed income and only further push
- 4       back America's economic recovery.

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