



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and editors
Re: economic benefits of tax cuts
Da: Friday, Sept. 12, 2003

Sen. Chuck Grassley, chairman of the Committee on Finance, made the following comment on today's Wall Street Journal analysis showing last spring's tax cuts are a major factor in the predicted fastest growth of the gross domestic product since 1999. Grassley was the lead Senate architect of the tax cuts.

"The statistics show we did the right thing. Putting more money in taxpayers' pockets was a real boost for the economy. Consumers seem to have spent their new cash on cars, household items and school supplies. That spending drives economic growth. An increase in the gross domestic product is important. Economists say job growth begins when the gross domestic product increases significantly. We're well on our way toward a strong economic recovery.

"I'll continue to advance policies that promote economic growth. For example, I'm working on legislation to replace the tax regime that makes U.S. exporters vulnerable to up to \$4 billion a year in sanctions. Economic growth requires attention to all sectors of our economy."