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BAUCUS, GEITHNER TALK JOB CREATION, ECONOMIC GROWTH PROPOSALS IN PRESIDENT'S BUDGET

*Finance Chair: This Budget Contains Critical Policies to Spur Economic Growth and Help Businesses Create
Jobs*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) convened a hearing today with Treasury Secretary Geithner to examine the plans in the President's 2013 budget proposal to continue the economic recovery, create jobs, reform the tax code and reduce the deficit. Baucus noted the economy has added 3.7 million jobs in the last 23 months, and the number of people applying for jobless benefits has fallen steadily. But Baucus said with 12.8 million Americans still looking for jobs, there is work left to be done.

"This budget contains critical policies to spur economic growth and help businesses create jobs, starting with the payroll tax cut," Baucus said. **"The economy is making progress and job growth is improving, but we need to do more to bolster the recovery. We need to determine how to best use the ideas in this budget to create jobs, reduce the deficit and boost economic growth."**

At the hearing, Baucus addressed several individual elements of the budget and discussed how they would contribute to economic growth and create jobs. First he stressed the importance of extending the payroll tax cut and unemployment benefits through the end of the year as the President's budget does. Those extensions would mean a thousand dollars in the pockets of the average family and billions of dollars injected into the economy. Failure to extend them, Baucus said, would cost up to half a million jobs, damaging the economy and putting even more Americans out of work.

Next he underscored the need to provide tax certainty by extending tax provisions that expired at the end of 2011, known as the "traditional extenders." These include deductions for college tuition and for state and local sales taxes and a tax credit for research and development to encourage innovation. He also touched on the need to enact comprehensive tax reform that makes the tax code simpler and fairer and helps American businesses grow, hire and compete in the global economy. Baucus again voiced his support for making the 2001 and 2003 middle class tax cuts permanent and allow the others to expire at the end of the year.

"This budget takes a step in this direction by making the 2001 and 2003 tax cuts for the middle class permanent, providing permanent estate tax relief and solving the problem of the alternative minimum tax. We also need to end the cycle of year-to-year extension and uncertainty for families and businesses, while making the tax code simpler, fairer and more efficient," Baucus said. **"I look forward to working with my colleagues and the Administration to create a better tax system that meets our 21st-century needs."**

The tax cut expiration, Baucus said, comes at a critical time alongside the enactment of the automatic budget sequester agreed upon in last summer's debt limit debate. Baucus reiterated his commitment to balanced and fair deficit reduction that does not come at the expense of job creation.

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