



For Immediate Release
February 22, 2011

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BAUCUS, HATCH ANNOUNCE TAX HEARINGS ON WHY THE CODE NEEDS REFORM

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah) said today the Committee will undertake a series of hearings examining why the tax code needs reform. The Finance leaders said they plan to look at ways to make the code more competitive and fair, while making it less complex. Baucus and Hatch announced they would hold a hearing titled “How Did We Get Here? Changes in the Law and Tax Environment Since the Tax Reform Act of 1986” on Tuesday, March 1. The series is a continuation of hearings the Committee began in the 111th Congress.

“Today there are just too many special benefits in the tax code for one industry or another. All those credits and deductions make our code so complicated that those with an army of lawyers and accountants can slim down their tax bill while others are left paying one of the highest corporate tax rates in the world,” said Baucus. **“We will hold a number of hearings to look at how this unbalanced tax code is a drag on the economy and what changes need to be made. All tax incentives, both personal and business, should produce the outcomes we intended, such as job creation and widespread economic growth. We need to figure out how to get rid of loopholes and simplify the system, so we can lower tax rates and keep our economy growing.”**

“Our tax system is burdensome, overly complex and stifles American competitiveness. It needs to be reformed,” said Hatch. **“I’m pleased to announce with Chairman Baucus that the Finance Committee will spend the next year fully examining our tax code. With these hearings, we hope to lay the ground work towards a comprehensive overhaul to ensure we are putting real pro-growth policies in place that will spur investment, economic expansion, and much needed jobs.”**

The hearing Baucus and Hatch announced today will look at how changes since the Tax Reform Act of 1986 have affected the tax code, including the globalization of the economy, innovations in technology, advancements in the financial services industry and growth of tax planning practices, and how the tax code has and has not responded. The hearing will be held at **10:00 am on March 1, in room 215 of the Dirksen Senate Office Building**. Five former Assistant Secretaries for Tax Policy will testify. The former top Treasury Department tax officers will be Fred Goldberg, Jonathan Talisman, Mark Weinberger, Pamela Olson and Eric Solomon. Media are encouraged to attend the hearing or to view the webcast and witness testimony at <http://finance.senate.gov/hearings>.

Baucus and Hatch said today that they plan to hold a number of hearings to look at the need for tax reform and they would continue the series with regular hearings in the coming weeks and months. The Finance Committee began its review of the code last September with [a review of the lessons of the 1986 Tax Reform Act](#) and considered [historical trends in income and revenue](#) last December.