



DEMOCRATS' HOUSE DIVIDED

Obama's Losing Control Of His Party As Congressional Democrats Demand Job Killing Tax Hikes

DEMOCRATS ATTACK PLAN TO HELP ECONOMY

Tax Compromise Will Result In "Open And On-The-Record Taunting About Whether The President Is A Patsy" From Congressional Democrats. "Resentments between President Barack Obama and congressional Democrats that began simmering even before their midterm disaster are nearing the boiling point on Capitol Hill, as liberals make clear that Obama's efforts to strike a lame-duck deal with Republicans will come at a cost: open and on-the-record taunting about whether the president is a patsy." (Jonathan Allen And Josh Gerstein, "Liberal Dems To Obama: Fight Harder," [Politico](#), 12/7/10)

Speaker Nancy Pelosi's Statement On the Tax Compromise "Notably Withheld Any Commitment Of Support." "In a post on Twitter, Pelosi said the GOP provisions in the tax proposal would add to the deficit and help the rich without creating jobs. The GOP provisions 'help only wealthiest 3%, don't create jobs & add tens of billions to deficit,' the Pelosi tweet said. The Speaker expanded on her criticism of the Republican proposals in a statement that notably withheld any commitment of support." (Russell Berman, Pelosi Attacks Obama-GOP Tax Plan As House Democrats Signal Fight," [The Hill](#), 12/7/10)

House Majority Leader Steny Hoyer Wouldn't Say If House Leadership Would Whip Votes On The Deal. "House Majority Leader Steny Hoyer today expressed serious reservations with the tax cut framework President Obama reached with Senate Republicans, and declined to say whether his caucus would support the plan or even whether the leadership time would whip votes to ensure that it passes." (Brian Beutler, "Hoyer: No Dem Agreement On Tax Cuts; Deal Could Still Change," [Talking Points Memo](#), 12/7/10)

Rep. Chris Van Hollen (D-MD) Has "Serious Reservations" About The Deal. "House Democrats have not signed off on this deal," Van Hollen said on Bloomberg Television on Tuesday morning. 'I will meet with our caucus later today to discuss it. I have some serious reservations about parts of this deal. I understand the importance of getting to an understanding, but there are certain elements that I think will cause a great concern to members of our caucus.'" (Jake Sherman, "Van Hollen Has 'Serious Reservations,'" [Politico](#), 12/7/10)

Rep. Anthony Weiner (D-NY): "Memo To Our President : Why Are We Always Punting On 3rd Down? Lets Get Our Offense On The Field." (Rep. Anthony Weiner, [Twitter Feed](#), 12/6/10)

Rep. Jim McDermott (D-WA): "This Is The President's Gettysburg." "This is the president's Gettysburg,' Rep. Jim McDermott, a leading progressive and a subcommittee chairman on the tax-writing Ways and Means Committee, told POLITICO Monday. Referring to Obama's choice about whether to compromise or stand firm against Republicans on the question of higher taxes for the wealthy, the Washington Democrat said: "He's going to have to decide whether he's going to withstand Pickett's Charge ... I worry.'" (Jonathan Allen And Josh Gerstein, "Liberal Dems To Obama: Fight Harder," [Politico](#), 12/7/10)

"President Barack Obama's Deal With Republicans To Extend All Of The Bush-Era Tax Cuts Received An Icy Reception From Senate Democrats, Who Were Clearly Unhappy To Be Asked To Swallow Such A Bitter Pill." (John Stanton, "Unhappy Democrats Still Digesting Deal Cut By W. H." [Roll Call](#), 12/7/10)

Sen. Frank Lautenberg (D-NJ) On The Tax Compromise: "I Want To Support An Active Response Against This Great American Travesty." "Some, such as Sen. Frank Lautenberg, were openly hostile. Although Lautenberg was still studying the plan, he made clear he may actively work to block the bill. 'I want to support an active response against this great American travesty,' the New Jersey Democrat said when asked if he would support a threatened filibuster of the bill by Sen. Bernie Sanders (I-Vt.)." (John Stanton, "Unhappy Democrats Still Digesting Deal Cut By W. H." [Roll Call](#), 12/7/10)

AFL-CIO President Richard Trumka Said Tax Compromise Was "Unconscionable." "The AFL-CIO's president condemned President Obama's deal on tax cuts as an 'unconscionable' giveaway to wealthy interests. AFL-CIO President Richard Trumka slammed the tax deal and joined the ranks of liberals who have expressed disenchantment with the president for having agreed to the two-year extension of all expiring tax cuts. 'Two years ago, working Americans had high hopes that we would ultimately emerge from the deep, punishing financial debacle with a sharp focus on a fundamentally stronger, fairer and more balanced economy,' the labor leader said. 'Today, that vision has dimmed.'" (Michael O'Brien, "Labor Calls Tax Deal An 'Unconscionable' Giveaway To Wealthy," [The Hill](#), 12/7/10)

JOB CREATION WILL SUFFER UNDER DEMOCRATS' TAX HIKE PLAN

"Letting The Bush-Era Tax Cuts Expire For The Top Two Brackets Will Hit Much Of The Nation's Non-Corporate Business Income, Earnings That Are Highly Productive And Sensitive To Taxation." (Scott A. Hodge, "Over One-Third Of New Tax Revenue Would Come From Business Income If High Income Tax Cuts Expire," [Special Report No. 185](#), The Tax Foundation, September 2010)

"It's Clear That Business Income For Large And Small Firms Will Be Hit By The Higher Tax Rates. And In Point Of Fact, Firms Of All Sizes Contribute To The Nation's Prosperity." (Kevin A. Hassert and Allan D. Viard, Op-Ed, "The Small Business Tax Hike And The 97% Fallacy," [The Wall Street Journal](#), 9/3/10)

According To The Joint Committee On Taxation, 750,000 Small Businesses Will Be Affected By The Democrats' Tax Hike. (The Staff Of The Joint Committee On Taxation, "Present Law And The President's Fiscal Year 2011 Budget Proposals Related To Selected Individual Income Tax Provisions Scheduled To Expire Under The Sunset Provisions Of The Economic Growth And Tax Relief Reconciliation Act Of 2001," [Joint Committee On Taxation](#), 7/12/10)

"According To An NFIB Poll, 75 Percent Of Small Businesses Are Organized As Pass-Through Entities (Sole Proprietors, Partnerships, S Corps, Etc.), Meaning They Pay Taxes On Their Business Income Based On The Individual Tax Rates." ("Keeping Tax Rates Low," [NFIB](#), Accessed: 11/22/10)

- **Increasing The Top Two Income Tax Rates Will Hit Small Businesses That Employ 25 Percent Of The Workforce.** "Raising the tax rates on the top two income brackets also has a negative impact on small business job creation. Based on an NFIB small business survey, the businesses most likely to face a tax increase by raising the top two rates are businesses employing between 20 and 250 employees. According to U.S. Census data, businesses with between 20 and 299 workers employ more than 25 percent of the total workforce." ("Keeping Tax Rates Low," [NFIB](#), Accessed: 11/22/10)