



# FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS - NEWS RELEASE -

FOR IMMEDIATE RELEASE

## House to Consider Estate Tax Changes

EDWARDSVILLE, IL, November 30, 2009 -Now that the Thanksgiving recess is over, the House is expected to resume consideration of estate tax legislation.

Congress is under pressure to act by the end of the year. If it does nothing, current law will make the estate tax disappear on Jan. 1, only to return in 2011 at higher rates and lower exemptions. Few lawmakers are eager to pass a retroactive bill that would tax people after they die and after their estates are already distributed.

Consensus on the issue has proven elusive, as members are focusing more on job-creation legislation, which may take precedence over estate tax changes.

The House majority wants to move a permanent extension of the 2009 structure of the estate tax, which features a \$3.5 million per-person exemption and a top rate of 45 percent.

Meanwhile, a moderate faction has offered a proposal that would be more favorable to estates. It would gradually bring the top rate down to 35 percent, and push the exemption up to \$5 million and index it for inflation.

This proposed legislation mirrors a plan supported by a bipartisan group of senators during the budget debate earlier this year. The amendment — offered by Blanche Lincoln, (D-AR), and Jon Kyl, (R-AZ) — was adopted by a 51-48 vote, signaling that Republicans and moderate Democrats had the clout to get a better deal for estates than the 2009 rates.

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This news release has been issued by the Federation of American Consumers and Travelers (FACT). FACT is a consumer organization, formed under the not-for-profit corporation laws of the District of Columbia in 1984. It currently serves more than 1 million consumers nationwide. Additional information on FACT may be found in the *Encyclopedia of Associations*, and by visiting the association's Web site ([www.usafact.org](http://www.usafact.org)). Informative, unbiased news bulletins are regularly disseminated by FACT to help its members remain current on matters which might seriously impact their lives. In addition to publishing consumer-related reports, the association provides more than 30 benefits for its members, ranging from [medical insurance](#) and [dental discounts](#) to [prescription drug savings](#) and [scholarships](#). FACT's administrative office is located at 318 Hillsboro Avenue, Edwardsville, IL 62025.