

GABRIELLE GIFFORDS

SERVING SOUTHERN ARIZONA

Restoring Fiscal Discipline in Washington

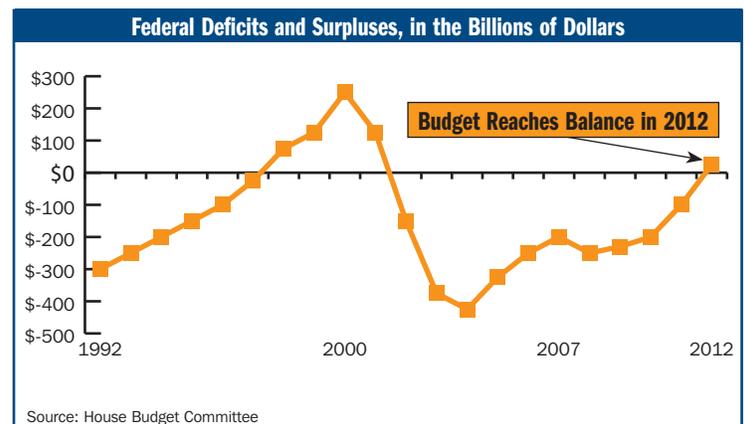
Over the last several years the federal government has turned record budget surpluses into record deficits. In 2006, Congress spent **\$248 billion** that did not exist in the U.S. Treasury and instead borrowed from countries like China, Japan and the United Kingdom. Currently the total national debt is over **\$9 trillion**.

In his memoir published last month, Former Federal Reserve Chairman Alan Greenspan criticizes the “out of control spending” during the past six years. He expressed dismay at the lack of fiscal discipline during these years stating, “House Speaker Hastert and Majority Leader Tom DeLay seemed readily inclined to loosen the federal purse strings.”

Congressional Action

Congresswoman Giffords is working to get America’s fiscal house in order:

- ✓ **Reinstating the Pay-as-you-go Budget Rules** (H. Res 6) restores the fiscal discipline that succeeded in the 1990s by turning deficits into surpluses. “Pay-Go” requires Congress to only spend money it has and prohibits deficit spending. *Passed the House.*
- ✓ **Establishing a path for a Budget that Balances in Five Years** (H.CON.RES.99). This legislation sets the right spending priorities for America and balances the budget by 2012, without raising taxes. *Passed the House.*
- ✓ **Requiring that Congressional Earmarks be made public** (H.Res.169) in order to create better transparency on federal spending. *Pending in the Budget Committee.*



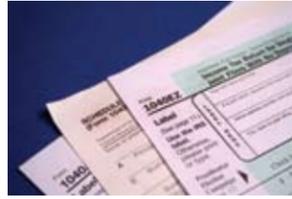
Congresswoman Giffords supports a federal budget that helps eliminate our nation’s deficit.

- ✓ **Extending the Fiscal Honesty and Accountability** (H.R.2685) rules through fiscal year 2011 which caps federal spending for domestic programs and establishes strict guidelines for of emergency spending allocations. This bill also requires that all proposed tax or spending legislation include a cost projection. *Pending in the Budget Committee.*



Congresswoman Giffords became a member of the fiscally conservative Blue Dog Coalition, dedicated to the financial stability of our federal government.

Congresswoman Gabrielle Giffords Sponsors and Supports Tax Relief Legislation



Alternative Minimum Tax (AMT): Raises the 1969 AMT income cap. This year, 40,000 middle class families in our congressional district will have to pay the AMT if this change does not become law. *Awaiting Committee Action.*

Permanent Internet Tax Freedom Act (H.R. 743): Permanently bans state Internet access taxes, which encourages investment, especially in rural areas. *Awaiting Committee Action.*

College Affordability Tax Relief Act (H.R. 3388): Increases and makes permanent the college tuition tax deduction from \$4,000 to \$10,000 for families that earn less than \$100,000 per year. *Awaiting Committee Action.*



Mortgage Forgiveness Debt Relief Act (H.R. 3648): Permanently excludes forgiven mortgage indebtedness from taxable income and extends the mortgage insurance deduction for homeowners' principal residences. *Passed the House 386 - 27 on October 4, 2007.*



Combat Troops Tax Relief Act (H.R. 3808): Increases the standard deduction for all military active duty families and ensures that families of combat soldiers are able to benefit from the earned income tax credit (EITC). Up to 10,000 U.S. soldiers currently serving in combat zones qualify for EITC. *Introduced by Congresswoman Giffords. Awaiting Committee Action.*



Small Business Tax Relief Act (H.R. 976): Reduces the tax burden and simplifies tax filing for Arizona's small and family owned businesses. For example, it extends the work opportunity tax credit and increases expensing under IRC Sec. 179. *Passed the House 360 - 45 on February 16, 2007.*

Renewable Energy Assistance Act (H.R. 3807): Safeguards vital individual and commercial tax incentives for installing solar energy systems and investing in energy-saving residential upgrades, encouraging research and investment in advanced solar energy and energy-efficient technologies. *Introduced by Congresswoman Giffords. Awaiting Committee Action.*

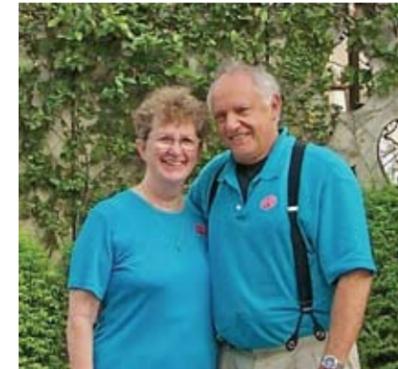


Common Sense Tax Cuts Benefit Arizona Families

Federal Civilian and Military Retiree Tax Cuts (H.R. 1110)

“As a federal retiree for seven years, I have been astonished at the high costs of health insurance premiums. Congresswoman Giffords' support for H.R. 1110, a bill that would allow federal civilian and military retirees to pay health insurance premiums on a pre-tax basis, means my family would save over \$400 per year—important funds that we can reinvest into our retirement.”

– Jane and Vern Pall, Tucson



Family Care Act (H.R. 1871)

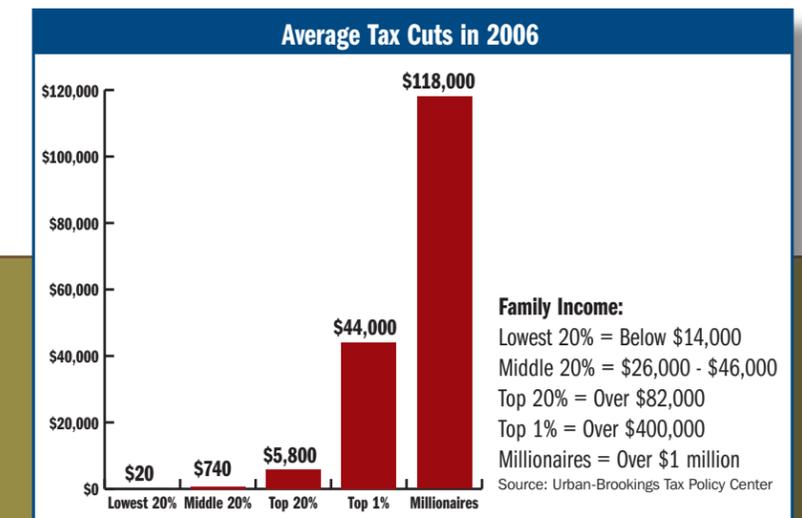
“As a working parent, quality child-care is very important for the proper growth and development of my child. Congresswoman Giffords' support for the Child and Dependent Care Tax Credit helps make child-care affordable for my family and allows me to attend college in the evenings. I work hard and it is nice to see a tax cut that will benefit hard working parents and families.”

– Amy Acheson with daughter Elizabeth, Sierra Vista



“In 2001 and 2003 our country gave away hundreds of billions of dollars in tax cuts to those making over \$330,000 a year. It's time we had a tax policy that helps middle class families, small businesses and our men and women in combat. Smart tax policy also looks to the future by encouraging investment in renewable energy.”

– Congresswoman Gabrielle Giffords



Update on U.S. Housing Market

Congresswoman Gabrielle Giffords Takes Action

- ✓ Congresswoman Giffords voted for **H.R. 1852, the Expanding American Homeownership Act** which will help extend low interest loans to middle class Americans and fight against predatory lending.
- ✓ Congresswoman Giffords is helping to craft legislation with the House Committee on Financial Services on legislation to **fight against predatory lending**, which will protect people in Arizona.



Congressman Barney Frank, Chairman of the House Committee on Financial Services, recently met with industry leaders in Tucson to discuss the state of the housing and lending markets.

Facts on Foreclosure

- In May, 2007 new foreclosures in Arizona were 141% higher than they were in May of 2005
- Arizona had the 12th highest rate of foreclosures in the Nation in 2006
- In 2006, Tucson was ranked in the top 50 cities in the United States with the highest foreclosures.

Source: Report by the Joint Economic Committee of the United States Congress

Help for Home Owners

The national mortgage crisis is affecting thousands of Arizona residents. Here are some resources that may help if you are behind on your mortgage, have troubles with your home lender, or think you may have been a victim of predatory lending.

Facing Foreclosure? Contact the following entities for guidance and help:

- Department of Housing and Urban Development. Call to find a locally approved counseling agency at 1.800.569.4287 or TDD 1.800.877.8339. HUD can also help if you are encountering difficulties with your home lender.
- Fannie Mae Resource Center at 1.800.7.FANNIE

Think you may have been a victim of predatory lending?

- Contact the Arizona Attorney General's Office in Tucson: (520) 628.6504

Tucson Congressional Office

1661 North Swan
Suite 112
Tucson, AZ 85712
Phone: (520) 881-3588
Fax: (520) 322-9490

Cochise County Congressional Office

77 Calle Portal
Suite B-160
Sierra Vista, AZ 85635
Phone: (520) 459-3115
Fax: (520) 459-5419

Washington, DC Office

502 Cannon House Office Building
Washington, DC 20515
Phone: (202) 225-2542
Fax: (202) 225-0378



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Gabrielle Giffords
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