



NEWS RELEASE

Congressman Joe Wilson



Representing the 2nd District of South Carolina

For Immediate Release

*Contact: Wesley M. Denton
Communications Director
(202) 225-2452*

Wesley.Denton@mail.house.gov

January 7, 2003

Wilson Introduces Bills on Business Expensing and Elimination of the Double Taxation on Dividends

Washington, D.C. – Today, Rep. Joe Wilson (R-SC) will be introducing The Dividend Taxation Elimination Act of 2003 and The Business Expensing Act of 2003.

“The double taxation on dividends is a completely unfair tax, because corporations are taxed on the income they generate, and middle-class investors are effectively punished for investing in a successful company,” said Rep. Wilson. “It is time for Congress to follow the lead of our President and act in a bipartisan fashion to eliminate this excessive and unjust tax, which has a great impact on our nation’s senior citizens many of whom depend on dividend income to help pay for food, medicines and housing.”

The Dividend Taxation Elimination Act of 2003 phases out the double taxation entirely in five years, beginning in 2003. The bill provides immediate relief to middle-class Americans and seniors. Federal income taxes on dividend income would be eliminated in a 5-year phase-out plan for those investors who receive less than:

1st Year: \$25,000 in dividend income in 2003
2nd Year: \$50,000 in dividend income in 2004
3rd year: \$75,000 in dividend income in 2005
4th Year: \$100,000 in dividend income in 2006
5th Year: eliminated entirely for all Americans.

Also, *The Business Expensing Act of 2003* increases from 30% to 50% the amount of depreciation businesses can deduct for property they purchase.

“To help stimulate the economy, I believe the bonus depreciation should be increased to 50%. My bill does this and extends the 50% bonus depreciation for five full years, from 2003-2007,” said Rep. Wilson. “More manufacturing companies will purchase plant machinery sending an immediate boost to the economy, but more importantly this frees up capital immediately to encourage job creation.”

###