

WASHINGTON (May 20) – Congressman Spencer Bachus (AL-6) and 153 other House Republicans are strongly opposing a plan to add new value-added tax (VAT) to the current tax code.

In a letter to the chairs of the National Commission on Fiscal Responsibility and Reform released today, Bachus and his colleagues called the VAT a “job killing tax” that would increase the cost of goods and services for all Americans.

“Disappointingly, some in Washington still believe that we must grow our government and the tax base to fix the debt crisis. Recently the President’s own advisors have suggested that a VAT could be good for America. Not even a 19 percent VAT was able to save Greece from a full-blown crisis. We should not expect different results in America. The bottom line is that America has never and will never be able to tax its way to prosperity,” the letter stated.

In European countries, value-added taxes that began at five percent have risen to an average of 20 percent, according to a study by the Heritage Foundation.

Bachus, who is Ranking Member on the House Financial Services Committee, called the VAT proposal yet another Democrat tax scheme holding back economic growth.

“Business owners are reluctant to spend, invest, and hire new workers because of uncertainty over new taxes, higher interest rates, and the ever-expanding role of government in the economy,” according to Bachus.

To view the letter, [click here](#).

