

Tax rebates, breaks part of Bush plan

by UPI

WASHINGTON -- Business tax incentives and income tax relief are two key provisions in a growth package to stimulate the U.S. economy, President George Bush said Friday. During televised remarks, Bush said he wanted broad-based tax relief that will "directly affect economic growth," and not "the kinds of projects" that don't immediately impact the sluggish economy. The plan must be temporary, quickly enacted and large enough to handle the nation's broad economy, or 1 percent of the gross domestic product, Bush said. Tax increases for business, especially small business, to invest, expand and "inject new energy" into the economy, are key, Bush said. The second provision would be "direct, rapid income tax relief" to consumers, who could "use the money as they see fit," he said. "Letting Americans keep more of their own money should increase consumer spending" and stimulate the sluggish economy. Bush said Treasury Secretary Henry Paulson will be the administration's liaison with Congress in developing an economic stimulus package with Congress. Bush said he believed "there's enough broad consensus" in Congress to pass a stimulus package with bipartisan support. Once the stimulus package is passed, Bush said he would push to make permanent a series of tax cuts.

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