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THE ASSET ACT OF 2014 (H.R. 5872) INTRODUCED IN U.S. HOUSE OF REPRESENTATIVES

Jack Fitzgerald and the ASSET Coalition Work to Reform the Estate Tax

WASHINGTON DC – December 12, 2014 – The ASSET Coalition is pleased to announce that yesterday, Congressman Andy Harris (R-MD) introduced legislation that will provide a new, innovative approach to remedying the problems many Americans face as a result of the current federal estate tax. The Congressman has worked in tandem with the ASSET Coalition to develop the American Solution for Simplifying the Estate Tax Act of 2014 (the “ASSET Act”)(H.R. 5872). The ASSET Act is intended to provide a voluntary, simplified method for Americans who face estate taxes to pay a fair share of taxes while they are alive without any of the distortive, inefficient effects created by the current method of collecting the estate tax.

If enacted, the ASSET Act is designed to be “revenue neutral” for the U.S. Treasury, relying on a combination of an annual surcharge and capital gains taxes when estate assets are sold to offset any revenues lost by the Treasury when death is no longer a taxable event. The significant innovation of the ASSET Act is that it helps avoid the frequent liquidation of ongoing family businesses or the “fire sale” of farms and ranches that occur when an owner passes away and leaves a substantial estate tax burden. Under the ASSET plan, the deaths of taxpayers who have opted in will not cause the immediate sale of their family business, farm, or ranch because the assets can pass to their heirs without a new tax obligation. The ASSET Act is thus a jobs preservation bill, since it will create greater stability for family businesses, some of which have hundreds and thousands of employees. When the heirs sell, the sales price will likely be higher, thus generating additional capital gains tax revenue for the U.S. Treasury and without forcing the kind of dislocation of employees seen when a rushed sale of such assets must take place. “Having worked with Members of Congress and many stakeholders for several years to develop this concept, I am very grateful to Congressman Andy Harris for introducing the ASSET Act and thus giving more policymakers the opportunity to review the proposal as part of tax reform deliberations next year. The ASSET Act offers a better, simpler approach that permanently prevents the harm caused by the current estate tax to private businesses, farms and their employees,” stated Jack Fitzgerald, founder of the ASSET Coalition.

Congressman Andy Harris added, “I am very pleased to have introduced the ASSET Act so that we can stimulate debate on how to improve a system in which our tax code restricts economic growth and creates substantial inefficiencies equal to or exceeding the actual revenues brought in by the current estate tax. In introducing this legislation at the end of a Congress, I am trying to stimulate discussion and analysis of the proposal and hope that with the help of the Joint Committee on Taxation, we can develop a bill that does not increase the tax burden on Americans while unleashing the potential economic growth that this simplified method would bring.”

For more information visit www.SimplifyEstateTax.org.

About ASSET

ASSET is a coalition of more than 21,000 individuals, private businesses, family farms and ranches, and their employees. ASSET was founded in order to change the collection method for the Estate Tax. Jack Fitzgerald is the chairman of Fitzgerald Auto Malls and owns a collection of small businesses.

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