

The DeMint Jobs Plan

"The American Option"

Nearly 18 Million New Jobs in 10 years

How it works:

1) Defuse the 2011 tax bomb: Stop tax increases set to hit the economy in 2011.

- *Permanently* repeal the alternative minimum tax once and for all;
- *Permanently* keep the capital gains and dividends taxes at 15 percent;
- *Permanently* kill the Death Tax for estates under \$5 million, and cut the tax rate to 15 percent for those above;
- *Permanently* extend the \$1,000-per-child tax credit;
- *Permanently* repeal the marriage tax penalty;
- *Permanently* simplify itemized deductions to include only home mortgage interest and charitable contributions.

2) Long term, broad based tax cuts for American families and businesses.

- Lower top marginal income rates – the one paid by most of the small businesses that create new jobs – from 35 percent to 25 percent.
- Simplify the tax code to include only two other brackets, 15 and 10 percent.
- Lower corporate tax rate as well, from 35 percent to 25 percent. The U.S. corporate tax rate is second highest among all industrialized nations, driving investment and jobs overseas. Lowering this key rate will unlock trillions of dollars to be invested in America instead of abroad.
- This is not only good economic policy, but a matter of fairness. **No American family should be forced to pay the federal government more than 25 percent of the fruits of their hard labor.**

The estimated effect on the American economy:

JOBS

- Nearly 500,000 new jobs created in 2009, and 1.3 million more in 2010
- A total of 7.5 million by 2013, in just 5 years.
- **Nearly 18 million jobs created over the next 10 years.**

HOUSING

- Residential housing investment would increase by \$96 billion over 3 years, and \$175 billion over 5 years. Commercial real estate activity would increase \$120 billion over 3 years, and \$362 billion over 5 years.
- **\$537 billion in new real estate and construction activity over 5 years.**
- Lower interest rates – reducing taxes on capital increases the supply of money invested and lent, reducing the cost of borrowing.

AUTO INDUSTRY

- Between 2009 and 2011, **total sales of new automobiles and light trucks would be \$24.5 billion higher** than they would otherwise be.

From the Office of Senator Jim DeMint (R-South Carolina), Senate Steering Committee Chairman