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Children (Still) Left Behind

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"AIN'T GOING to happen," House Majority Leader Tom DeLay (R-Tex.) said last month about the move to expand the child credits in the new tax bill to include low-income Americans. It's looking increasingly as if Mr. DeLay's prediction will hold true. The first set of checks reflecting the increased credit -- it was bumped up from \$600 to \$1,000 per child -- will be mailed Friday. About 25 million taxpayers will eventually get the expanded credit.

But not the 6.5 million families with incomes between \$10,500 and \$26,625. These families don't earn enough to have to pay federal income taxes; instead they receive money back under the Earned Income Tax Credit and the existing child tax credit. While speeding up the planned increase in the child credit for everyone else, this year's tax bill did nothing for the low-income group, though the cost would have been trivial in the context of the tax bill -- just \$3.5 billion. To address this inequity, the Senate passed a separate measure that both fixed the low-income problem and made more high-earning taxpayers eligible for the credit; the Senate paid for its \$10 billion measure by increasing customs users' fees. But the House, where leaders are hostile to tax credits for those who don't pay income taxes, used the opening as an excuse to pass another huge tax cut, knowing full well the Senate would never go along.

The House bill is an embarrassment -- unaffordable and unfair. As to cost: Its \$82 billion price tag was unconscionable even before the grim new deficit projections. As to fairness: Consider a bill that's kinder to members of Congress than to soldiers or the working poor. Under the House measure, a member of Congress with two children and income of \$154,700 (the congressional salary) would receive a tax credit of \$1,750, while the same-size family earning \$20,000 would get \$475. At the same time, the House version of the tax credit wouldn't help many of those serving in Iraq, because pay earned while in a combat zone isn't counted as taxable income. The Senate measure fixes this unintended glitch; the House version unaccountably doesn't. Meanwhile, it's been languishing in conference.

With the checks about to go in the mail, attention is returning to this issue, and those who never really wanted to see the low-income child credit expanded are trying another ruse to avoid paying a political price for their mean-spiritedness. In a letter to the House this week, Senate Republican conferees on the bill offered a \$50 billion "compromise" -- in which most of the reduced cost comes from another artificially early expiration date for the tax cut.

Mr. Bush now says he supports the expanded credit, though he didn't include it in his original tax plan. It's been more than a month since the president told Congress to "get it to my desk" -- and "soon." We'd like that, too. But an irresponsible fix such as the House bill or this new Senate proposal would be worse than none at all. It shouldn't take \$50 billion to solve a \$3.5 billion problem.

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