

News Release

For Immediate Release: 1 August 2008

House Majority Leader Kevin McCarthy, 515-306-4044

Statement from House Majority Leader Kevin McCarthy

Regarding House Republican Flood Response Plan

“Today, after reading House Minority Leader Christopher Rant's plan to help those hit hard by the recent "storms and flooding of 2008" ...I say...shame on you! The House Republican Leader's plan for flood relief is an utter embarrassment and flood affected Iowans should be outraged. The current House Republican Leader seems to be a 'one trick pony'.

“Their proposal is another major warning sign that the Republican party has veered terribly to the political right and is completely out of touch with mainstream Iowa. We have thousands of individual Iowans hurting right now...many of them with their homes and property devastated. We have levees that need repaired or entirely rebuilt. We have hundreds of miles of roads and rail that need repaired. We have insurance obligations that need to be monitored and federal assistance that needs to be obtained - and the list goes on and on. And what is the House Republican proposal to deal with flood relief? Tax cuts for big corporations!”

“This is \$122 million, over two years, that could help middle class families and small businesses recover – instead of another handout to big business in non-affected areas.”

“Even more appalling is that the Republican proposal for flood relief is virtually the same corporate tax cut proposal they pushed before the floods even occurred! What a joke!”

-- end --

Relevant Excerpts from Republican Proposal:

(Des Moines) -- Today House Republican Leader Christopher Rants (R-Sioux City) rolled out a proposal centering around tax incentives for Iowans effected by the storms and flooding of 2008.

Rants' **main suggestion** focuses on bonus depreciation and extending the benefit through 2009 for taxpayers who qualify. In early 2008, the federal economic stimulus package included a provision that was designed to aid business taxpayers by increasing the expensing allowance for depreciable assets. [...]

Rants suggests immediately coupling with the federal standard and then going further; extending that provision into 2009. [...]