



February WIPP Works In Washington– “Give Us Some Love”

By Ann Sullivan

“Give us some love!” That was the cry from Congress whose approval ratings are downright embarrassing. And people said, “do your job and we’ll give you some.” Hearing that promise, the leaders of the House and Senate and the President’s team got to work. And here is the list they came up with for 2014 to hopefully get every American to wear “I ♥ Congress” T-shirts:

Extend Tax Deductions/Credits that have Expired

Everyone loves a good tax break. According to the [Tax Foundation](#), 55 tax breaks have expired. Some of them are good for business but some are pretty silly. Unless Congress acts, small businesses will see a reduction in the amount of equipment purchases they can expense (so-called 179 expensing), big businesses will lose the 50% bonus expensing for capital investments and a tax credit for companies who are in the research and development business goes by the wayside. Another popular tax deduction that has expired is tuition and related expenses. Silly ones like special expensing for film and TV productions, a 3-year write off for racehorses under two years old, and faster depreciation for NASCAR tracks should probably be left expired.

No Drama Budget Decisions

Last year hit an all time low with a government shutdown. Having figured out that even the threat of shutting down the government adversely affects business, the stock market and consumer behavior, the Congress and the President seem to have decided that government spending decisions can be made without high stakes drama. With some new leaders in place, Congress should be able to make spending decisions on time—the voters expect it.

Extending Unemployment Benefits

It is unclear whether or not the Congress will pass a three-month extension. Voters who are out of work would undoubtedly be thankful for this extension. Rightly so, many in Congress raised a worry about whether or not this is the answer to the prickly unemployment problem in some states. The other objection raised by the House is that it is expensive and Congress must find a way to pay for it. Latest count is 4 million Americans have been looking for work for at least 6 months.

Immigration Reform

There could be lots of *amor* from the Latino and business community for dealing with a difficult issue that needs reform. But there are plenty of politicians who won't feel the love—so the jury is out on whether Congress and the President want to undertake this reform. Either way, just talking about it keeps supporters warm and fuzzy.

Income Inequality

This phrase is intended to endear middle-class voters who feel they keep on slipping on the economic ladder while policies seem to reward those who are already sitting on the top rung. On the President's agenda to remedy this problem is raising the minimum wage to \$10.10—already issuing an [Executive Order](#) raising the hourly wage on federal contracts. A bill in Congress is still looking for support to move forward.

There was big talk of tax reform, which was on the agenda until Senator Max Baucus (head of the Senate Finance Committee) agreed to be the U.S. Ambassador to China. The tax code, maybe more than the minimum wage, is responsible for much of the inequality—but tackling the “Code” for the first time since 1986 appears to be put off for another year. Perhaps the Congress can find other ways to right the inequality, but for now there are limited ideas on how to fix it.

So with Valentine's Day on politicians' minds, they will certainly be looking for a little love. And while these actions may result in a small bouquet of carnations from the voters, it's probably not the dozen roses Congress was hoping for.