# American Federation of Labor and Congress of Industrial Organizations



815 Sixteenth Street, N.W. Washington, D.C. 20006 (202) 637-5000 www.aflcio.org

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### **For Immediate Release**

Contact: Eddie Vale/Amaya Tune (202) 637-5018

## Statement by AFL-CIO Executive Vice President Arlene Holt Baker on Sen. Sanders Amendment to Eliminate the Tax on Health Benefits December 10, 2009

Today, the AFL-CIO joined Senator Sanders and workers to say that taxing workers' health benefits is just plain wrong. We commend Senator Sanders for standing with America's working families and introducing an amendment to strike this provision from the Senate health reform legislation.

A tax on benefits would mean higher premiums for workers and small businesses already struggling to make ends meet. And it would ask workers who already have it so hard to pay more for the health care they have now. That goes back on the promises Democrats made in 2008 -- the promise of real health care reform that helps, not hurts, working families. That's one reason 70 percent of Americans believe there's a better way to pay for reform than taxing middle class benefits.

Union members know first hand that a tax on working class families is the wrong way to pay for health care reform. They have fought hard for their modest health care benefits and they know there's nothing "Cadillac" about them.

But this is not just a union issue. Taxing benefits would hurt all workers. In fact, one in five workers would be hurt by this tax. It would be another blow to middle class families who are already struggling under the weight of this economic crisis.

There's a right way and a wrong way to pay for health care reform. Our message to the Senate is clear: A tax on working families is the wrong way.