

## Congress Passes 'Fiscal Cliff' Legislation; President Signs Bill



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On Tuesday night by a vote of 257-167 the House passed HR 8, the Tax Relief Extension Act, which the Senate passed early Tuesday morning by a vote of 89 to 8. The so-called "fiscal cliff" agreement had been negotiated Monday between Senate Minority Leader Mitch McConnell (R-KY) and Vice President Joe Biden. The legislation keeps the Bush era tax cuts for individuals making less than \$400,000 and couples making less than \$450,000. It also makes permanent the fixes for the Alternative Minimum Tax and delays government spending cuts for two months. On Wednesday, the President signed the legislation which

avoided the so called "fiscal cliff."

In the House 85 Republicans and 172 Democrats voted for the bill, while 151 Republicans and 16 Democrats voted against the bill.

In a statement following the vote, President Obama on Tuesday night said that the House passage of a bill averting the so-called "fiscal cliff" was a positive step, but said that there was a lot of work to do to address the federal deficit long term. He also said that if Congress failed to raise the debt limit, it would have far greater impact on the economy than going over the fiscal cliff would have.