

The original documents are located in Box 21, “12/17/75 - Remarks on Vetoing the Temporary Tax Cut Extension Bill” of the President’s Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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THE PRESIDENT HAS SAID

I AM VETOING THE TEMPORARY TAX CUT

EXTENSION BILL SENT ME BY THE CONGRESS TODAY.

I HAVE BEEN TELLING THE CONGRESS EVER SINCE

OCTOBER THAT I WOULD VETO ANY TAX CUT IF THE ^{Congress} ~~THE~~

FAILED TO CUT FUTURE FEDERAL SPENDING AT THE

SAME TIME.

CONGRESS HAS REFUSED AT THIS TIME TO PUT ANY
LIMIT ON SPENDING FOR THE NEXT FISCAL YEAR
AND INSTEAD SENT ME A TEMPORARY 6-MONTH
EXTENSION OF THE PRESENT TEMPORARY 1975 TAX
LEVELS DUE TO EXPIRE ON NEW YEAR'S EVE.

THERE IS NO NEED FOR YOUR WITHHOLDING
TAXES TO GO UP IN 1976. THERE IS NO NEED
FOR A PROLONGED CONFRONTATION WITH THE
CONGRESS ON THIS QUESTION. I BELIEVE AND
THE CONGRESS EVIDENTLY BELIEVES THAT OUR
NATION WILL BENEFIT BY GIVING AMERICAN TAXPAYERS
A BREAK IN 1976.

Congress & me

THE DIFFERENCES BETWEEN ~~US~~ ARE THESE:

AS I PROPOSED LAST OCTOBER 6, I WANT
A LARGER TAX CUT IN 1976 THAN WE HAVE HAD IN

1975 -- \$28 BILLION DOLLARS TO BE EXACT --

WHILE THE BILL BEFORE ME ^{would} MERELY EXTEND₁ \$

THIS YEARS TAX RATE WHICH WORKS OUT TO ABOUT
\$18 BILLION A YEAR.

AS I MADE CLEAR OVER TWO MONTHS AGO,
I WANT ANY CUT IN FEDERAL TAX REVENUES COUPLED
WITH A CUT IN THE RUNAWAY GROWTH OF FEDERAL
SPENDING. UNLESS WE START DOING THIS NOW
WE WILL RUN UP LARGER AND LARGER DEFICITS AND
GET FARTHER AND FARTHER AWAY FROM A BALANCED
BUDGET.

WE WILL RISK A NEW ROUND OF DOUBLE DIGIT
INFLATION WHICH WOULD INVISIBLY TAX EVERY
DOLLAR YOU HAVE OR EARN IN THE FUTURE BY A
MUCH HIGHER FIGURE THAN ANY ~~TEMPORARY~~ RELIEF
THIS BILL OFFERS. THE CONGRESS OFFERS ONLY
TO KEEP A TEMPORARY LID ON TAXES WHILE LEAVING
THE FEDERAL CASH REGISTER WIDE OPEN FOR
WHATEVER SPENDING MONEY CONGRESS WANTS
TO TAKE OUT IN AN ELECTION YEAR. THAT I
CAN'T ACCEPT.

I SAID I WOULD SUBMIT A \$395 BILLION
BUDGET FOR FISCAL 1977 NEXT JANUARY AND I
INTEND TO DO SO. THIS REPRESENTS A
\$28 BILLION REDUCTION IN THE GROWTH OF FEDERAL
SPENDING AND -- IF CONGRESS WILL GO ALONG
~~with me only~~ on this overall ceiling -- NOT ON
EVERY DETAIL AS TO WHERE THE CUTS SHOULD
COME -- WE COULD HAVE A \$28 BILLION TAX CUT
NEXT YEAR WITHOUT ADDING TO INFLATION, ~~INSTEAD~~
~~OF THEIR \$18 BILLION CUT THAT CONTAINS NO~~
~~SPENDING CUT COMMITMENT.~~

I MUST RETURN THIS BILL TO CONGRESS,
BUT THIS DOES NOT MEAN YOUR TAXES MUST GO

UP NEXT YEAR.

~~I AM AWARE OF THE NEW~~

~~CONGRESSIONAL BUDGETARY PROCEDURES FOR~~

~~WHICH I VOTED WHEN I WAS A MEMBER OF THE~~

~~HOUSE OF REPRESENTATIVES.~~

~~I KNOW THAT MANY SENATORS AND CONGRESSMEN~~

~~ARE TRYING IN GOOD FAITH TO MAKE THEM WORK IN~~

~~ORDER TO GAIN CONTROL OF THE CURRENTLY~~

~~UNCONTROLLABLE GROWTH OF FEDERAL SPENDING.~~

THE CONGRESS STILL HAS TIME BEFORE CHRISTMAS

TO SEND ME BACK A TAX CUT EXTENSION FOR 1976

COUPLED WITH A CLEAR COMMITMENT TO CUT THE

GROWTH OF SPENDING.

SUCH A SIGNAL TO THE COUNTRY AND TO THE WORLD
THAT THE FEDERAL GOVERNMENT IN WASHINGTON IS
AT LAST FACING UP TO ITS RESPONSIBILITY TO
CONTROL RUNAWAY INFLATIONARY SPENDING WOULD
BE THE BEST CHRISTMAS PRESENT OVERBURDENED
AMERICAN TAXPAYERS HAVE HAD IN DECADES,
I AM WILLING AND WAITING TO SIGN SUCH
LEGISLATION.

THERE IS ONLY ONE REAL ISSUE HERE, AND
IT REQUIRES SOME PLAIN SPEAKING. THE

AMERICAN PEOPLE WANT TAX RELIEF, NEED TAX

RELIEF AND DESERVE TAX RELIEF.

*But they
also want uncontrolled federal spending
to stop.*

THEIR GOVERNMENT -- THE OFFICIALS THEY ENTRUST
WITH THE POWER TO TAX AND TO SPEND TAXES --
FOR YEARS AND YEARS HAS NOT BEEN PLAYING FAIR
WITH THEM. THEIR GOVERNMENT HAS BEEN
RAISING FEDERAL BENEFITS, KNOWING FULL WELL
THOSE BENEFITS HAVE TO BE PAID FOR BY FUTURE
TAXPAYERS OR BY THE MERCILESS TAX OF CONSTANT
INFLATION.

THE AMERICAN PEOPLE KNOW THIS. YOU
KNOW IT AND I KNOW IT. UPON SERIOUS SECOND
THOUGHT, I AM SURE THE MAJORITY OF THIS CONGRESS
WILL RECOGNIZE IT. THE ONLY HONEST WAY TO
REDUCE TAXES IS TO REDUCE THE SPENDING OF TAX
MONEY.

END OF TEXT