

House Republicans on the Budget Committee on Wednesday rejected an effort to impose the "Buffett rule" tax on Americans, arguing it would stifle investment without doing any work to lower the deficit.

The vote came as the panel worked its way through the House GOP's budget, released earlier this week, which draws the broad outlines of a rewrite of the tax code and major cuts to government spending - all with an eye to getting federal deficits in line in future decades.

Late Wednesday the bill barely cleared the committee on a 19-18 vote, with two Republicans defecting to join Democrats in voting against it. Republican Reps. Tim Huelskamp of Kansas and Justin Amash of Michigan, both tea party supporters, said the budget didn't go far enough.

President Obama and his congressional allies have made the Buffett rule a chief part of their political messaging this year, arguing that it's a key part of any fair effort to balance the budget.

"Anyone who thinks we don't have a revenue problem is not looking at this in a balanced way," said Rep. John A. Yarmuth, the Kentucky Democrat who offered the proposal.

The tax - named after billionaire Warren Buffett, who famously urged the government to raise his taxes so he pays the same rate as his secretary - would impose a minimum 30 percent rate on individual taxpayers with incomes greater than \$500,000, or couples with incomes topping \$1 million.

The proposal was defeated 22-15, and didn't even win all of the Democrats on the budget panel. Rep. Heath Shuler, a retiring North Carolina Democrat, voted with Republicans to reject it.

Republicans cited a report released late Tuesday by Congress' Joint Committee on Taxation, which calculates official revenue estimates for lawmakers, as proof the Democratic proposal was political posturing. The analysis found that the tax would raise about \$47 billion during the

next decade, less than 1 percent of the deficits Mr. Obama's budget would produce over that same period.

"This is a political argument. This is not a genuine deficit argument," said **Rep. John Campbell**, California Republican.

Democrats tapped the Buffett rule for a number of the amendments they offered in committee Wednesday, and each of them met with defeat. Still, it's likely Democrats will try to revive the plan as part of a budget alternative they'll offer on the House floor next week, and Senate Democrats could try to arrange a vote in their chamber, too.

The House Republicans' budget is likely to drive the congressional agenda for the next few weeks. The plan includes Budget Committee Chairman Paul Ryan's proposal to have seniors choose between Medicare and a set of private plans in a health exchange.

Democrats tried to undo that change Wednesday, saying it broke the government's promise to seniors on Medicare. But Republicans defeated that amendment, 20-13.

Other amendments to change education, Medicare prescription drug coverage and Medicaid provisions also failed.

Mr. Obama released his budget last month, but it has gotten little traction on Capitol Hill.

Democrats, who control the Senate, have said they won't pass a budget in the upper chamber this year, though they said they will abide by the upper limits on non-entitlement spending that were included in last year's debt deal.

