

Committee on Domestic Justice and Human Development Committee on International Justice and Peace

3211 FOURTH STREET NE • WASHINGTON DC 20017-1194 • 202-541-3160 WEBSITE: WWW.USCCB.ORG/JPHD • FAX 202-541-3339

December 14, 2012

United States Senate Washington, D.C. 20510

Dear Senator:

As negotiations on difficult federal budgetary choices reach a critical phase, the Committees on Domestic Justice and Human Development and International Justice and Peace of the United States Conference of Catholic Bishops remain concerned about the moral and human dimensions of how to reduce unsustainable federal deficits while forming a "circle of protection" around programs that serve our brothers and sisters who are poor and vulnerable in our nation and throughout the world.

The tax system is an important tool a government uses to raise adequate revenue or otherwise fulfill its responsibility to "make accessible to each what is needed to lead a truly human life: food, clothing, health, work, education and culture, suitable information, the right to establish a family, and so on" (*Catechism of the Catholic Church*, No. 1908).

One way our tax system attempts to accomplish this is with the **charitable deduction**, which encourages taxpayers to support private charity, religion, and education. Catholic institutions rely on this support to feed, house, clothe, educate, and care for millions of people around the world. Additionally, the **Earned Income** and **Child Tax Credits** do this by rewarding work and helping families to grow and thrive. The refundability of these credits reduces child poverty by over 6 percent. Any deficit reduction agreement or framework for future reform must protect the refundability of low-income tax credits, the charitable deduction, and the millions of people who benefit from them.

People at home and abroad rely on the support provided by many discretionary programs to achieve basic economic security for themselves and their families. Programs like **poverty-focused international assistance**, **affordable housing and community development**, **education**, and **workforce development** help guarantee basic human rights for millions of people. Billions of dollars have already been cut from them over the past two years, and sequestration threatens to take even more resources.

It is in our nation's interest that Congress act in a bipartisan manner to replace sequestration with a balanced and thoughtful alternative that calls for shared sacrifice by all, eliminates unnecessary spending, addresses the long-term costs of health insurance and retirement programs fairly, and raises adequate revenues: "In a system of taxation based on justice and equity it is fundamental that the burdens be proportioned to the capacity of the people contributing" (*Mater et Magistra*, No. 132). Additional savings could be achieved by cutting nuclear weapons programs or direct agricultural subsidies.

For millions of jobless Americans, unemployment assistance is vital to achieving basic economic security as they seek new work. As the economy is still incapable of producing sufficient decent jobs for all who are capable and eager to work, extending **Emergency Unemployment Compensation** is imperative.

As Catholic bishops, we renew traditional principles and values that budgetary deliberations should be assessed by whether they protect or threaten human life and dignity, should prioritize the needs of "the least of these" (Matthew 25:31-46), and should recognize that government and other institutions have a shared responsibility to promote the common good of all.

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While people of good will may disagree on how to apply these moral principles to specific policies, we believe it is incumbent on leaders to take these applications seriously and to offer concrete alternatives that meet the moral objectives. The Catholic bishops of the United States stand ready to work with leaders of both parties to accomplish this.

Sincerely yours,

+ Stephen & Rlaine

Most Reverend Stephen E. Blaire Bishop of Stockton Chairman, Committee on Domestic Justice and Human Development

+ Dichard & Potes

Most Reverend Richard E. Pates Bishop of Des Moines Chairman, Committee on International Justice and Peace



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United States House of Representatives Washington, D.C. 20515

Dear Representative:

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