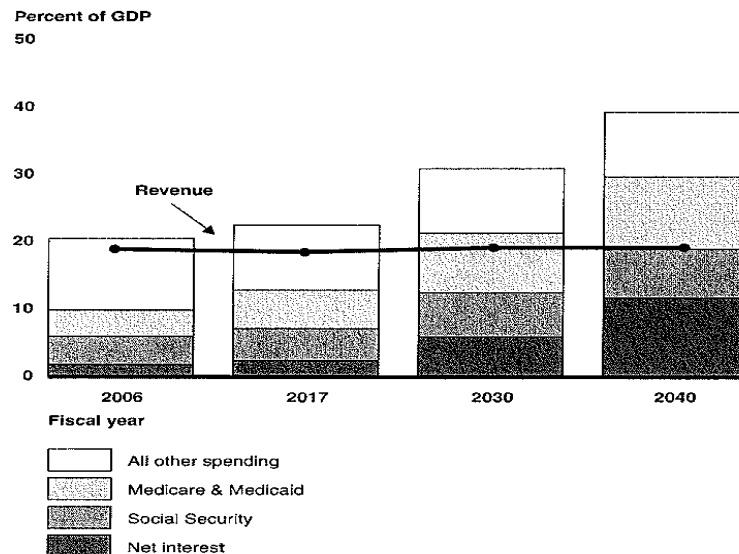


**LIBERTARIAN U.S. SENATE CANDIDATE  
BUCKLEY TELLS WHAT PERMANENCY OF TAX CUTS  
WITHOUT SPENDING CUTS MEANS**

Atlanta, Georgia – April 18, 2008

In August of 2007, the U.S. Government Accountability (GAO) specified the implications of making the 2001 and 2003 tax cuts permanent without cutting spending. In graphic form, the GAO said tax cuts made permanent without spending cuts (i.e. the course sought by the Republicans) means that by 2040, most of our tax dollars will be used to pay interest expense. Graphically, it means:

**Figure 3: Potential Fiscal Outcomes under Alternative Simulation:  
Revenues and Composition of Spending as Shares of GDP**



Source: GAO's August 2007 analysis.

Note: Discretionary spending grows with GDP after 2007. AMT exemption amount is retained at the 2006 level through 2017 and expiring tax provisions are extended. After 2017, revenue as a share of GDP is brought to its historical level of 18.3 percent of GDP plus expected revenues from deferred taxes (i.e., taxes on withdrawals from retirement accounts). Medicare spending is based on the Trustees April 2007 projections adjusted for the Centers for Medicare and Medicaid Services alternative assumption that physician payments are not reduced as specified under current law.

The above chart is conservative because it assumes that future spending grows with GDP, whereas spending grew approximately 7 percent per year from 2001-2006, (i.e. the years the Republicans were completely in control) while GDP grew at less than 3 percent per year, on average, during that time period.

Allen Buckley, the Libertarian Party's U.S. Senate candidate, said: "The current economic problems are nothing, absolutely nothing, compared to those that will be experienced if tax cuts are made permanent without spending cuts. Cutting spending and simplifying the tax system should be top priorities for our next senator. The spending increase record of Saxby Chambliss and the Republicans is not subject to dispute. We cannot allow the Republicans, or the Democrats, to destroy our economic system and our country."

Mr. Buckley's website is [www.buckleyforsenate.com](http://www.buckleyforsenate.com). He can be reached for comment at (404) 962-1042.