

Tokyo, Jul 07 22:30

Search News

GO

Enter Symbol

QUOTE

CHART

NEWS

SYMBOL  
LOOKUP

[HOME](#) ■ [NEWS](#) ■ [MARKET DATA](#) ■ [PERSONAL FINANCE](#) ■ [TV and RADIO](#)

LOG IN/REGISTER

Feedback

## Popular:

[Politics](#) [Exclusive](#) [Madoff](#) [Industries](#) [Currencies](#) [ETFs](#) [Dine & Deal](#) [C-Suite](#)

- [STORY](#)
- [VIDEO](#)
- 

- [Exclusive](#)
- [Worldwide](#)
- [Regions](#)
- [Markets](#)
- [Industries](#)
- [Economy](#)
- [Politics](#)
- [Law](#)
- [Environment](#)
- [Science](#)
- [Opinion](#)
- [Spend](#)
- [Sports](#)
- [Arts and Culture](#)
- [Editors' Video](#)
- [Picks](#)
- [Bloomberg Markets Magazine](#)
- [Special Report](#)

U.S. House May Include Surtax on Wealthy in Health-Care Package

[Share](#) | [Email](#) | [Print](#) | [A A A](#)

By Ryan J. Donmoyer

July 7 (Bloomberg) -- House Ways and Means Committee members are likely to propose a [surtax](#) on high-income Americans to help pay for an overhaul of the health-care system, according to people familiar with the plan.

The tax would be similar to, yet much smaller than, a surtax proposed in 2007 by Ways and Means Committee Chairman [Charles Rangel](#), a person familiar with the committee's talks said. That plan would have added at least a 4 percent levy on incomes exceeding \$200,000, and was projected to reap as much as \$832 billion over 10 years.

Two people familiar with closed-door talks by committee Democrats said a [House bill](#) probably will include a surtax on incomes exceeding \$250,000, as Congress seeks ways to pay for changes to a health-care system that accounts for almost 18 percent of the U.S. economy. By targeting wealthier Americans, a surtax may hold more appeal for House Democrats than a Senate proposal to tax some employer-provided health benefits.

"The surtax is obviously more attractive to Democrats in the House because it's more progressive, which they find attractive in and of itself," said [Paul Van de Water](#), a senior fellow at the Washington-based [Center on Budget and Policy Priorities](#), a research group focused on policies affecting low- and moderate-income families.

Supporters on the Ways and Means Committee include Representative [Lloyd Doggett](#), a Texas Democrat who backs including a surtax among revenue-raising measures in a health-care package, Doggett spokeswoman Sarah Dohl said.

Republicans in Congress, and some Senate Democrats, are likely to fight moves to increase tax rates, said [Clinton Stretch](#), who analyzes tax legislation at Deloitte Tax LLP, a Washington consulting firm.

Republican Opposition

"This will be a point of discomfort for moderate or conservative Democrats" in the Senate, he said. "It will be an anathema for Republicans."

The possibility of [raising taxes](#) on top earners surfaced last month as a revenue option for members of Rangel's committee, and the people familiar with the talks cautioned that no agreement has been reached. A Senate plan to tax the value of employee benefits that exceed coverage for federal workers may generate as much as \$418.5 billion over 10 years, though talks are focused on proposals that would raise considerably less.

More News

- [Oil, Gas, Commodity Market Speculation May Face Restrictions by U.S. CFTC](#)
- [Goldman May Lose Millions From Software Theft, More Competition, U.S. Says](#)
- [U.S. Stock-Index Futures Retreat on Earnings Concern; Discover Shares Drop](#)