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Buffett Rule Stalls in the Senate

On April 16, 2012, Senate Republicans blocked current consideration of the "Buffett Rule," a proposal that, if enacted, would have imposed a minimum tax rate of 30 percent on anyone with an adjusted gross income of more than a million dollars, no matter the source of that income. The legislation is based on a principle that individuals who earn more than $1 million should never pay a lower effective tax rate than middle-income households.

The bill, officially titled "Paying a Fair Share Act of 2012," required a minimum of 60 votes in the Senate in order for consideration to proceed. The bill had been given little chance of passage by both Senate Republicans and Democrats but was a key component of President Obama's economic growth and deficit-cutting initiatives that he presented to Congress and touted as having the potential to generate $46.7 billion in the period 2012-2022. Although halted for now, the Buffett Rule may be resurrected in the coming months, as it represents the common themes of deficit reduction and tax equality that are expected to be key issues for Democrats in the upcoming presidential election.