

*For Immediate Release:
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***Coalition for Tax Fairness and ReformAMT Praise Congress on
Passage of Legislation that Provides Relief for Victims of the AMT
Treatment of Incentive Stock Options***

Landmark Legislation Provides Hope for Hardworking Americans

WASHINGTON, DC ... December 9, 2006 --- The Coalition for Tax Fairness (CTF) and ReformAMT, organizations working to address the Incentive Stock Option Alternative Minimum Tax (ISO AMT) crisis, applaud Congress for passing legislation that takes a significant first step toward providing relief for many workers suffering from unintended, severely disproportional AMT tax burdens. H.R. 3385 – the basis for the legislation – was sponsored by Congressman Sam Johnson (R-TX) with lead cosponsor Congressman Richard Neal (D-MA) and co-sponsored by 60 other bipartisan Representatives, including 15 Ways and Means Members. H.R. 3385 addressed the fair return of ISO AMT tax prepayments that have unintentionally become what Representative Johnson has termed, “interest-free loans to the government.”

ISO AMT victims – employees of small and large companies across America – were, due to an unintended flaw in the tax code, forced to pay taxes up to and exceeding 300 percent of their annual salaries, based on phantom “income” they never received. The legislation just passed by Congress provides relief to many of these families by accelerating the refund of stranded ISO AMT overpayment credits that under current law would not be returned within the taxpayer’s lifetime. The legislation lays an important foundation for resolving the ISO AMT crisis and addresses a severe inequity within the tax code. Two important steps remain: addressing on-going liability, interest and penalties being assessed on tens of thousands of ISO AMT victims across the country, and extending the relief to all families regardless of income bracket.

“The Coalition for Tax Fairness commends Congress for passing legislation that will bring hope and relief to hundreds of thousands of American families. We are especially grateful to Representative Sam Johnson for his leadership and the many bipartisan cosponsors in the House, including Representatives Neal, Ramstad (R-MN), McCrery (R-LA) and Lofgren (D-CA), and to Senator Charles Grassley (R-IA), who together led the way in championing this relief legislation for their constituents and for all American workers,” stated Tim Carlson, President of the Coalition for Tax Fairness. “We look forward to working with Congress next year to provide fair treatment for all American families and workers. We respectfully urge Congress to issue explicit instructions to the IRS that as part of the Congressional intent and desire to remedy this unintended inequity in the tax code, the IRS should cease penalizing victimized taxpayers still struggling with offers in compromise.”

“This legislation goes a long way toward restoring fair and proportional taxation and helps to foster the continued innovative spirit that is the foundation of American business,” said Lezlee Westine, President & CEO of TechNet. “All American workers and their families should be treated fairly under the tax laws.”

“After nearly six years of working on a legislative remedy for the thousands of hardworking families who were financially devastated by ISO AMT, we are grateful for this landmark victory that will provide relief to so many people,” stated Jay Cena, co-founder, ReformAMT (www.reformamt.org). “Next year we look forward to working with Congress to further our goal of ensuring fair treatment for all American taxpayers. Regardless of income bracket, families can’t afford to pay 300% or higher tax rates, and the income phase-outs have a particularly harmful affect on entrepreneurial ISO AMT victims in California, Massachusetts, New York, Connecticut and Virginia.”

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About the Coalition for Tax Fairness

The **Coalition for Tax Fairness (CTF)** is a non-partisan, non-profit organization that is supporting a legislative initiative to fix the current Incentive Stock Option Alternative Minimum Tax (ISO AMT) crisis. This growing problem was brought on by outdated laws unfairly affecting an unprecedented number of citizens, resulting in extremely disproportional taxes based on income that will never be received. CTF is working together with individuals and organizations such as ReformAMT, through education, legislative initiatives, and grassroots efforts to help reform the ISO AMT tax law and alleviate this catastrophic situation. CTF was founded by ISO AMT victims and is managed by a group of national volunteers. For more information, visit www.fair-iso.org.

About TechNet

TechNet is the national, bipartisan network of CEOs that promotes the growth of technology industries and the economy by building long-term relationships between technology leaders and policymakers and by advocating a targeted policy agenda. TechNet's members represent more than one million employees in the fields of information technology, biotechnology, e-commerce and finance. TechNet has offices in Washington, DC, Palo Alto, Seattle, Boston, Austin, and Orange County (California). Web address: www.technet.org.

About ReformAMT

ReformAMT seeks to correct an injustice created by the way in which the Alternative Minimum Tax (AMT) is inappropriately and unjustly imposed upon owners of incentive stock options. Through the building of a grassroots tax reform organization, ReformAMT seeks to urge Congress to correct this flawed tax code, which has resulted in financial devastation for taxpayers obeying this law. Beyond correction of the law, ReformoAMT also seeks full redress from the United States Government for those affected. For more information, visit www.reformamt.org.

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