

Congress of the United States
Washington, DC 20510

July 3, 2008

The Honorable Douglas Shulman
Commissioner
Internal Revenue Service
1111 Constitution Ave., NW
Washington, DC 20224

Dear Commissioner Shulman:

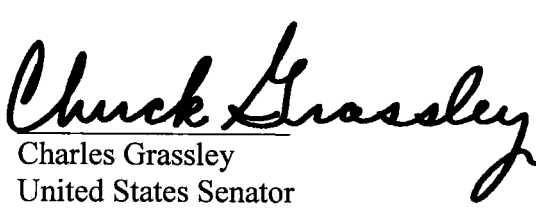
We are writing to request your assistance in protecting taxpayers from the unintended consequences of a well-intentioned but misguided tax policy. Many families around the country have been caught by what is referred to as the Incentive Stock Option (ISO) Alternative Minimum Tax (AMT). Because of the way stock options are treated by the AMT, many families are struggling under the weight of massive tax liabilities based on income they did not collect and never will collect. Many of these families have lived in the shadow of their tax liabilities for many years, and are waiting for Congress to take action.

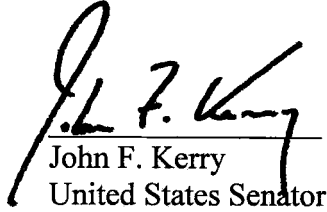
We are currently working to help these ISO AMT families through the enactment of H.R. 3861, the *AMT Credit Fairness and Relief Act of 2007* and its companion bill S. 2389. These bills work off of earlier legislation contained in the *Tax Relief and Health Care Act of 2006* to increase the AMT refundable credit amount for families and individuals with long-term unused credits for prior year minimum tax liability. This reflects the true tragedy for the ISO AMT families. Under current law they are entitled to use refundable credits into the future to compensate for what they owe now. However, they are being pressed to pay their current liabilities immediately, without regard for the refundable credits. These families are facing the garnishments of wages, foreclosures of homes, seizures of retirement accounts, and all the other tools available to the IRS to settle uncollected tax debts.

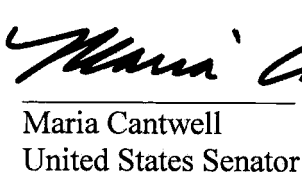
There is now a very broad bipartisan consensus to abate all interest and penalties attributable to ISO AMT liabilities and permit taxpayers to apply the full amount of their future refundable credits towards the entirety of their current ISO AMT liabilities. Moreover, there is now a strong bicameral commitment to enact legislation that accomplishes these goals in the near term this year. In light of that commitment, we are writing to ask that you use the discretion provided the IRS by its effective tax administration authority to suspend efforts to collect ISO AMT liabilities while Congress acts to fix this situation and to take Congress' determination to act in this matter into consideration when allocating limited collection resources this year.

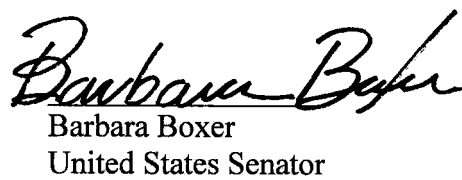
We are committed to protecting these families from the burdens of a tax policy that was never meant to have taxed them so much on so little actual income. We would be grateful if we could count on your assistance with this issue.

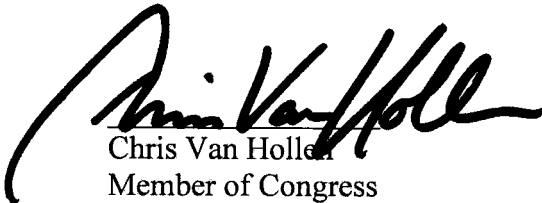
Sincerely,

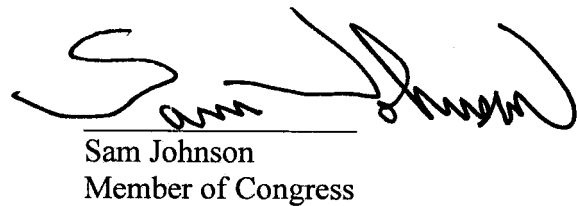

Charles Grassley
United States Senator

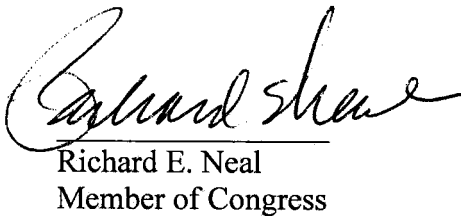

John F. Kerry
United States Senator

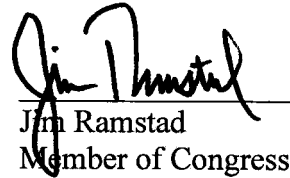

Maria Cantwell
United States Senator

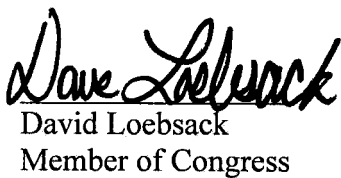

Barbara Boxer
United States Senator

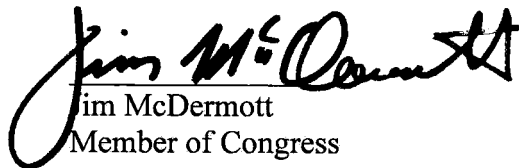

Chris Van Hollen
Member of Congress


Sam Johnson
Member of Congress

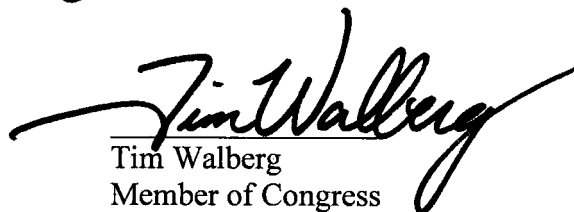

Richard E. Neal
Member of Congress



Jim Ramstad
Member of Congress



David Loeb sack
Member of Congress



Jim McDermott
Member of Congress



Zoe Lofgren
Member of Congress



Tim Walberg
Member of Congress



Jon C. Porter
Member of Congress

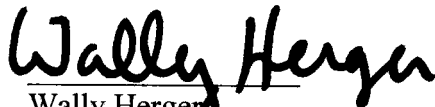

Melissa L. Bean
Member of Congress

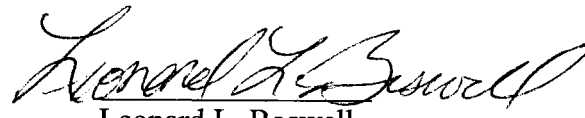

Patrick J. Kennedy
Member of Congress

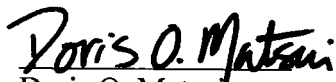

Anna G. Eshoo
Member of Congress

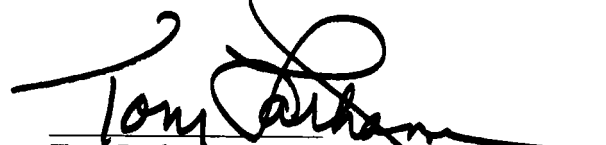

Michael M. Honda
Member of Congress



Shelley Berkley
Member of Congress



Wally Herger
Member of Congress

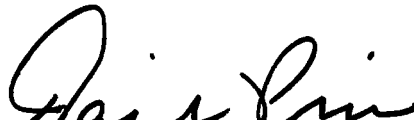

Leonard L. Boswell
Member of Congress

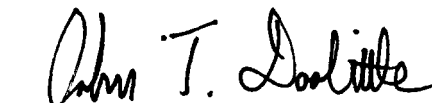

Doris O. Matsui
Member of Congress


Tom Latham
Member of Congress


Pete Sessions
Member of Congress


Elijah E. Cummings
Member of Congress


David E. Price
Member of Congress


John T. Doolittle
Member of Congress

A stylized, handwritten signature in black ink that reads "Tom Davis". The signature is written in a cursive, flowing style with a horizontal line underneath the text.

Tom Davis

Member of Congress