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Urges Quick House Action on Tax Bill to Ensure Enactment in 2010

Washington, DC, December 15, 2010 - ICI President and CEO Paul Schott Stevens today issued the following statement on the tax legislation, H.R. 4853 as amended, approved by the U.S. Senate in a strong bipartisan vote. Among other things, the bill will maintain and extend the current tax rates on capital gains and dividends for two years:

“Mutual funds and other investors, as well as the markets, need certainty about the tax rates they will face in just a few weeks. Senate approval of the legislation is an important step, and we hope Congress will complete work on a bill before year end. While we would favor a permanent extension of the current rates on capital gains and dividends, we support the proposed two-year extension for the benefits it will provide to investors and the economy generally at this phase of the recovery.”

Without Congressional action, the top tax rates on investment income are scheduled to increase from the current 15 percent on January 1, 2011 to 20 percent for capital gains and a top tax rate of 39.6 percent for dividend income.