

**October 1, 2010**

WASHINGTON, D.C. - Today, PolitiFact Oregon, a website devoted to fact-checking political claims, [exposed a recent e-mail campaign accusing Rep. Peter DeFazio \(D-OR\) of supporting a tax on all business transactions as a “Pants on Fire” lie](#) .

The e-mail, which has gone viral on the internet, claims DeFazio wants to levy a one percent tax on all financial transactions, including depositing a Social Security check or cashing a paycheck. The email also claims the proposal has the support of President Obama and that DeFazio is planning to “sneak it in after the November election to keep it under the radar.”

“This fake email campaign is absolutely false and appears to be politically timed to gin up hysteria before the election,” DeFazio said. “I do not support H.R. 4646, have never cosponsored it or previous versions of the bill, and would strongly oppose it should hell freeze over and it came up for a vote in the U.S. House of Representatives.”

H.R. 4646 was introduced in the House by Rep. Chaka Fattah (D-PA) and would levy a one percent tax on all money transactions. The legislation has no cosponsors and is not going anywhere in Congress.

In fact, Rep. Fattah sent a statement to PolitiFact Oregon backing up DeFazio:

“There have been many misleading and flat-wrong assertions about my bill, H.R. 4646, the Debt Free America Act. Congressman Peter DeFazio is not a cosponsor of H.R. 4646 and it is completely inaccurate to say he is a proponent of the Debt Free America Act.”

DeFazio has introduced a very different bill, H.R. 4191, the Let Wall Street Pay for the Restoration of Main Street Act. DeFazio’s bill would assess a minuscule one-quarter of one percent tax on speculative Wall Street trading and an infinitesimal two hundredth of one percent tax on exotic derivatives. Revenues generated from the tax would be used to pay down the

federal deficit and to invest in America’s crumbling infrastructure to create good-paying jobs. This tax is specifically targeted at high volume speculative traders on Wall Street, and would have no impact on average investors and pension funds. Under his bill the speculation tax would be exempted or refunded for tax-favored retirement accounts, mutual funds, education savings accounts, health savings accounts, and the first \$100,000 of transactions annually.

PolitiFact, which won the Pulitzer Prize for National Reporting for its coverage of the 2008 election, is calling the e-mail campaign against DeFazio “inaccurate” and “ridiculous.”