WHITE HOUSE PRESENTS SPENDING BLUEPRINT

GOP assails Obama on budget proposal

Boehner says the plan ‘never balances’ and falls short in aiding middle-class families

By The Associated Press

WASHINGTON — Promising to help America’s middle class, President Barack Obama on Monday sent Congress a record $4 trillion budget that would hammer corporate profits overseas and raise taxes on the wealthy while boosting tax credits for families and the working poor.

However, Republicans found plenty to criticize in his proposed tax increases that would total about $1.5 trillion.

“Today President Obama laid out a plan for more taxes, more spending, and more of the Washington gridlock that has failed middle-class families,” said House Speaker John Boehner, R-Ohio. “This plan never balances — ever.”

Republicans cited the nation’s $18 trillion debt and assailed what they call Obama’s tax-and-spend policies for failing to address the spiraling growth of benefit programs such as Social Security and Medicare.

“These proposals are practical, not partisan,” Obama said of his overall plans. “They’ll help working families feel more secure with paychecks that go further, help American workers upgrade their skills so they can compete for higher-paying jobs, and help create the conditions for our businesses to keep generating good new jobs for our workers to fill.”

Obama’s budget would steer hun-
dreds of billions of dollars to the nation’s crumbling infrastructure of roads and bridges, help provide two years of free community college and reverse the across-the-board, automatic budget cuts that have slammed the Pentagon and nearly every government department.

The blueprint for the 2016 budget year that begins Oct. 1 represents a 6.4 percent increase over estimated spending this year, projecting that the deficit will decline to $474 billion.

While Obama’s plan was rejected out of hand on budget day, proposals to ease automatic cuts and boost transportation funding are likely to return later in the year and require extensive negotiation.

Some people would pay more taxes. The capital gains rate on couples making more than $500,000 per year would increase from 24.2 percent to 28 percent. Obama wants to require estates to pay capital gains taxes on securities at the time they are inherited.

Obama’s initiatives to tax the wealthy and to welcome an influx of immigrants into the United States are likely to go nowhere in the new GOP-run Congress.

But there is a bipartisan desire to ease automatic spending cuts that are the product of Washington’s failures to cut deficits beyond an initial round in 2011.
INFRASTRUCTURE

President Barack Obama's budget proposes an ambitious six-year, $478 billion public works program of highway, bridge and transit upgrades, half of it financed with a one-time mandatory tax on profits that U.S. companies have amassed overseas.

COMMUNITY COLLEGE

Students at community colleges, such as J. Sargeant Reynolds in Richmond, could benefit from the president's proposal to provide two years of free community college for families earning up to $200,000.
MILITARY The president's proposal would reverse the across-the-board, automatic budget cuts that have slammed the Pentagon. Obama is calling for a 7 percent increase in annual appropriations for the military, which would be a $38 billion increase for 2016.