



Robert W. Wood

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Bush Tax Cuts—Better By Another Name?

Sometimes names trigger visceral reactions, like bum, drunk, quack or Nazi. So most of us use euphemisms to make unpleasant topics more palatable. It's good manners and politically correct too. Grandpa "passes away," the company is "downsizing," Big Bertha is "full figured," and Little Johnny is not a spoiled brat or even ill-behaved, but "special."

We all know about euphemisms and how to use them but I wasn't sure about the reverse. Turns out they are [dysphemisms](#), or if you prefer, simply loaded language. That's what "The Bush Tax Cuts" have become.

Call me economical with the truth, ethically challenged, or just a plain liar, but I'm wondering if some of the [stalemate](#) over "The Bush Tax Cuts" isn't caused by their label. After all, opponents of estate tax called it "[The Death Tax](#)," which may help explain another Washington tax stalemate. See [Ghoulish Estate Planning Before New Year's?](#) You might tweet today but my generation had CB radios where handles truly mattered.

With that in mind, here are my top ten mellifluous and sonorous suggestions to swap for the dysphemism "The Bush Tax Cuts" have become:

1. "Obama Yes We Can Tax Rates"
2. "Carbon Free Tax Rates"
3. "Responsible Tax Rates"
4. "America First Tax Rates"

5. “Warm and Safe Tax Plan”
6. “Fair and Balanced Tax Rates”
7. “Voter Approved Tax Rate Plan”
8. “Centrist Tax Rate Structure”
9. “Across the Aisle Tax Plan”
10. “Bipartisan Rate Reduction”

No matter how Congress, the press and public label “The Bush Tax Cuts,” something has to happen soon. With little more than a month before New Year’s Eve, we still don’t know whether to accelerate income and defer deductions or the reverse. That kind of usual tax planning is as American as apple pie! A year end without it is like cake with no frosting or stuffing without gravy. See [Making Tax Decisions In Limbo](#). Since not everyone can turn on a dime, there’s considerable angst.

Prospects? I once [said](#), but the prospects for sticking with the 15% capital gain rate seem good. Worst case the long term capital gain rate goes to 20% in January, but my guess is the Republicans will prevail, at least for 2011. We’ll see. For more, [Tea Leaves And Tax Moves In 2010](#). Some people who can turn on a dime and who are weighing selling something (like a block of stock) in 2010 versus 2011 may want to wait a little longer.

There’s probably less timing going on with accelerating or deferring income, but deductions are definitely hard to assess this year end. Usually you want to pay a bill before New Years so you can deduct it. Think property taxes and state income taxes, even if the state income taxes aren’t due until April 15, 2011. But given the substantial uncertainty this year you should run some numbers to see which way you benefit most.

AMT—Patch Me Please. I continue to believe this one is the most important. Many people are stung by AMT in bizarre ways, making AMT seem inequitable. Plus, it may turn out to be most important on the numbers for many people. It’s harder to eyeball AMT, and that truly

makes it a stealth tax. For more, see [Patching The AMT Means Less Anarchy](#).

Here's hoping your year end has both frosting and gravy—just not together.

*Robert W. Wood practices law with [Wood & Porter](#), in San Francisco. The author of more than 30 books, including *Taxation of Damage Awards & Settlement Payments* (4th Ed. 2009, [Tax Institute](#)), he can be reached at wood@woodporter.com. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.*