

ICI Issues Statement on State of the Union Address, January 2006

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Bush Urges Congress to Make Capital Gains and Dividend Tax Cuts Permanent

Washington, DC, February 1, 2006 - The Investment Company Institute, the national trade association of the mutual fund industry, issued the following statement from ICI President Paul Schott Stevens regarding President Bush's [State of the Union address](#).

"We applaud President Bush for calling upon Congress to make permanent the capital gains and dividend tax cuts first enacted in 2003. Today, half of all American households own mutual funds and directly benefit from these lower tax rates. Moreover, all Americans benefit from the sustained economic growth engendered by lower taxes.

"Our nation continues to confront a savings crisis and persistent doubts about the retirement preparedness of our citizens. We urge Congress to move swiftly to encourage and assist Americans to save for the long term by enacting pending legislation to extend the lower tax rates for two additional years, giving certainty to investors and avoiding hitting them with a tax increase. We further urge Congress to consider making the tax cuts permanent."