

the
AMERICAN
JOBS ACT



PRESIDENT OBAMA'S PLAN TO CREATE JOBS NOW

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1. TAX CUTS TO HELP AMERICA'S SMALL BUSINESSES HIRE AND GROW

- **Cutting the payroll tax cut in half for 98 percent of businesses:** The President's plan will cut in half the taxes paid by businesses on their first \$5 million in payroll, targeting the benefit to the 98 percent of firms that have payroll below this threshold.
- **A complete payroll tax holiday for added workers or increased wages:** The President's plan will completely eliminate payroll taxes for firms that increase their payroll by adding new workers or increasing the wages of their current worker (the benefit is capped at the first \$50 million in payroll increases).
- **Extending 100% expensing into 2012:** This continues an effective incentive for new investment.
- **Reforms and regulatory reductions to help entrepreneurs and small businesses access capital.**

2. PUTTING WORKERS BACK ON THE JOB WHILE REBUILDING AND MODERNIZING AMERICA

- **A "Returning Heroes" hiring tax credit for veterans:** This provides tax credits from \$5,600 to \$9,600 to encourage the hiring of unemployed veterans.
- **Preventing up to 280,000 teacher layoffs, while keeping cops and firefighters on the job.**
- Modernizing at least 35,000 public schools across the country, supporting new science labs, Internet-ready classrooms and renovations at schools across the country, in rural and urban areas.
- **Immediate investments in infrastructure and a bipartisan National Infrastructure Bank,** modernizing our roads, rail, airports and waterways while putting hundreds of thousands of workers back on the job.
- **A New "Project Rebuild"**, which will put people to work rehabilitating homes, businesses and communities, leveraging private capital and scaling land banks and other public-private collaborations.
- **Expanding access to high-speed wireless** as part of a plan for freeing up the nation's spectrum.

3. PATHWAYS BACK TO WORK FOR AMERICANS LOOKING FOR JOBS

- **The most innovative reform to the unemployment insurance program in 40 years:** As part of an extension of unemployment insurance to prevent 5 million Americans looking for work from losing their benefits, the President's plan includes innovative work-based reforms to prevent layoffs and give states greater flexibility to use UI funds to best support job-seekers, including:
 - › Work-Sharing: UI for workers whose employers choose work-sharing over layoffs.
 - › A new "Bridge to Work" program: The plan builds on and improves innovative state programs where those displaced take temporary, voluntary work or pursue on-the-job training.

- › Innovative entrepreneurship and wage insurance programs: States will also be empowered to implement wage insurance to help reemploy older workers and programs that make it easier for unemployed workers to start their own businesses.
- **A \$4,000 tax credit to employers** for hiring long-term unemployed workers.
- **Prohibiting employers from discriminating against unemployed workers when hiring.**
- **Expanding job opportunities for low-income youth and adults** through a fund for successful approaches for subsidized employment, innovative training programs and summer/year-round jobs for youth.

4. TAX RELIEF FOR EVERY AMERICAN WORKER AND FAMILY

- **Cutting payroll taxes in half for 160 million workers next year:** The President's plan will expand the payroll tax cut passed last year to cut workers payroll taxes in half in 2012 - providing a \$1,500 tax cut to the typical American family, without negatively impacting the Social Security Trust Fund.
- **Allowing more Americans to refinance their mortgages** at today's near 4 percent interest rates, which can put more than \$2,000 a year in a family's pocket.

5. FULLY PAID FOR AS PART OF THE PRESIDENT'S LONG-TERM DEFICIT REDUCTION PLAN.

To ensure that the American Jobs Act is fully paid for, the President will call on the Joint Committee to come up with additional deficit reduction necessary to pay for the Act and still meet its deficit target. The President will, in the coming days, release a detailed plan that will show how we can do that while achieving the additional deficit reduction necessary to meet the President's broader goal of stabilizing our debt as a share of the economy.

