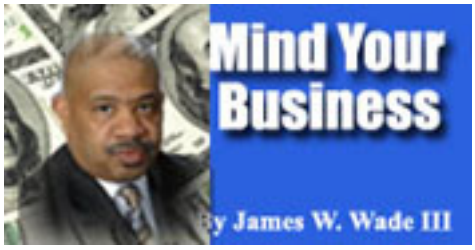

My concern is the rich people. The more you make, the more they take. In many conversations you have heard the Republicans not agree about raising the taxes on the rich.

Are we falling off the cliff?

In recent weeks, we have heard a lot about the “Fiscal Cliff” and how they need to get it resolved. Well, for those who keep asking what is this “cliff,” The Fiscal Cliff is the popular shorthand term used to describe the conundrum that the U.S. government will face at the end of 2012, when the terms of the Budget Control Act of 2011 are scheduled to go into effect.

Among the laws set to change at midnight on December 31, 2012 are the end of last year’s temporary payroll tax cuts (resulting in a 2 percent tax increase for workers), the end of certain tax breaks for businesses, shifts in the alternative minimum tax that would take a larger bite, the end of the tax cuts from 2001-2003, and the beginning of taxes related to President Obama’s health care law.

At the same time, the spending cuts agreed upon as part of the debt ceiling deal of 2011 will begin to go into effect. According to Barron’s, over 1,000 government programs including the defense budget and Medicare are in line for deep, automatic cuts.

I am a little worried that Congress will continue to fight about this problem. They better be aware that if the current laws slated for 2013 go into effect, the impact on the economy could be rough on everyone.

Now, my heart and soul is always with jobs and making money. Sometimes, I can't understand people's math because it affects the bottom line of making money. My parent's always taught never to spend more than you make.

I often heard my father tell me no matter where you work son, budget your money right. He would say, if you work at McDonald's, spend on a McDonald's level. Many days, I wish I would have listened to my father... (laughing).

Think of all the items that come out of your paycheck. Uncle Sam is going to get his first. You will see a little after federal taxes, Social Security and Medicare are subtracted. That doesn't include state taxes or any deductions from your paycheck for workplace benefits such as medical and dental insurance or a retirement savings plan.

But as this "cliff" hanger approach, we are facing the fact that the unemployment rate may rise by almost a full percentage point with a loss of about two million jobs. A Wall St. Journal article, from May 16, 2012, estimates the following impact in dollar terms: "In all, according to an analysis by J.P. Morgan economist Michael Feroli, $280 billion would be pulled out of the economy by the sunsetting of the Bush tax cuts; $125 million from the expiration of the Obama payroll-tax holiday; $40 million from the expiration of emergency unemployment benefits; and $98 billion from Budget Control Act spending cuts. In all, the tax increases and spending cuts make up about 3.5 percent of GDP with the Bush tax cuts making up about half of that, according to the J.P. Morgan report."

I wonder sometimes, do the Republicans just hate on President Barack Obama. They seem to fight anything he tries to push on his agenda. In a letter to the president, Boehner and six other House Republicans insisted that the November election returning Obama to the White House and the GOP to majority control in the House requires both parties to come together 'on a fair middle ground.'

"With the fiscal cliff nearing, our priority remains finding a reasonable solution that can pass both the House and Senate, and be signed into law in the next couple of weeks," Republicans wrote.

I vote we elect Don Graham and Bob King, two smart bankers to go up there and clean this mess up. Representative John Boehner, who is spearheading negotiations with U.S. President Barack Obama, told reporters last week that “no substantive progress has been made in the talks between the White House and the House over the last two weeks.”

Boehner said both sides were at a stalemate. “I’ve got to tell you that I’m disappointed in where we are and disappointed in what’s happened over the last couple of weeks,” Boehner admitted.

Having him lead this just proved my theory that everybody who has control or power don’t know what they are doing. It makes you wonder if these types of people do it just because they can. In no way would I want to see unemployment go up and more people lose their jobs.

My concern is the rich people. The more you make, the more they take. In many conversations you have heard the Republicans not agree about raising the taxes on the rich.

I hope Congress won’t cut the budget deficit as long as unemployment rate is high. This, in my mind, would cause the economy to get even worse. I’m laughing, but with the economy crisis, I have seen people out already spending big money for the holidays.

So, not everyone is having a rough time financially.

I read where some 50 million people rely on Medicare to cover their health care costs. The federal health insurance program, which is available to all people 65 and older and people with permanent disabilities, has seen a huge increase in people needing its help.

It also said, “Automatically, 2 percent would be cut from this program’s budget. While this is less than the general 8.2 percent across-the-board cuts for other federal programs, it would amount to a budget reduction of around $11 billion. That would mean payments to doctors, hospitals, long-term care facilities and nursing homes could be reduced significantly.”

If you think we are out of the woods after the fiscal cliff, think again. Somewhere in the first quarter, the country will hit the debt ceiling again.

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Comments and questions are welcome but, because of the volume of mail, personal responses are not always possible. Please note that comments or questions may be used in a future column.