

(WASHINGTON)--- Congressman Allen West (R-FL) released this statement today after voting no on the extension of the Payroll Tax Cut:

"Americans are exhausted, out of work and many have simply lost hope in the political system. They have been struggling now with nearly five consecutive years of record job stagnation, increased foreclosure rates and an economy that continues to struggle.

All of these reasons are why I cannot in good faith vote for this payroll tax cut deal. It is not that I don't believe Americans should have relief in their paychecks or be afforded a safety net of unemployment insurance, it is because, unlike some on Capitol Hill, I am looking beyond this election cycle.

I am looking at the ramifications of adding billions of American taxpayer's dollars to a trillion dollar deficit with no answers as to how or when we will pay for this bill.

I am looking beyond immediate gratification and instead looking at an American political system willing to cave to political pressure to give Americans a temporary Band-Aid that in the long run only makes things worse for their future.

The facts are simple. This supposed payroll tax decrease is really a backdoor tax increase on homeowners and first time homebuyers. The deal is being paid for by added fees on FHA-backed loans. Homeowners with FHA- backed mortgages represent more than one-third of mortgages in the United States. Those Middle Class Americans will be footing the bill for this political gimmick.

Homebuyers with a \$200,000 standard 30- year loan will have to pay an extra \$10,000 over the course of their loan. It would take roughly 250 paychecks with \$40 extra from the payroll tax holiday to pay for the added increase to the life of an FHA-backed mortgage loan. That represents ten years of consecutive employment.

In addition, some may argue the payroll tax deal will not affect Social Security. This could not be further from the truth. The federal government's general operating account will be used to compensate for the lost revenue in the Social Security Trust Fund, which will increase the deficit and add to the nation's debt.

My position on the Payroll Tax Extension has not changed. In December of 2011, I supported a responsible one- year extension that was fully paid for, and would have put money back in the pockets of American workers while protecting homeowners, Social Security, and not adding to the deficit and our ever-increasing national debt.

This current deal is not good policy – but it is political posturing.

The payroll tax cut deal is a result of politicians telling Americans what they want to hear, while seriously harming them and our nation in the long run. Americans sent a new wave of leaders to Capitol Hill in 2010 to stand up for conservative principles and turn this country around. I will continue to be a voice for those Americans."

\*Please see this [CBS News Special Investigation](#) on the "real way" the payroll tax deal is being paid for.