

Amnesty? Someday – But When?

Many – incorrectly – refer to “it” as amnesty. But some consider amnesty a dirty word – thus, possibly delaying “its” enactment. You also often hear “it” referred to as a guest worker relief program. But no matter what “it” is called, what “it” actually *is*, still remains to be seen. We, U.S. immigration law attorneys, refer to “it” as comprehensive immigration reform – or, CIR.

We do not know what CIR will look like. But one of the more debated issues is not so much *what* CIR will look like, but *when* CIR will be enacted.

Many believe that *when* may be sooner, as opposed to later. Why? Because economics may force federal legislators’ hands – specifically, a growing baby-boomer population and tax dollars uncollected. The number of foreign nationals living and working in the U.S. grows each day – by some accounts, over 11 million persons and counting. Those who pay their federal and state taxes already contribute significantly to the U.S. social safety net. While many others, do not. Recently, American Immigration Lawyers Association (AILA) compiled the following statistics:

Undocumented immigrants in the U.S. comprise approximately five percent of the workforce. Contrary to popular belief, between one-half and three-quarters of undocumented immigrants pay federal and state income taxes, Social Security and Medicare taxes – in addition to sales and property taxes. As of October 2005, the SSA concluded that undocumented immigrants contributed an estimated \$520 billion to the Social Security system – a figure that would increase exponentially if all of these immigrants were required to earn their legal status and contribute their share.

Despite the absence of progressive immigration policy reform, the tax contributions of immigrants are very evident. Even at the state level, undocumented immigrants still pay more in taxes than they use in public services.

- The Texas State Comptroller determined in a 2006 study that undocumented immigrants produced \$1.58 billion in state revenues, exceeding the \$1.16 billion they received in state services.

- The Oregon Center for Public Policy in 2007 estimated that undocumented immigrants pay state income, excise, property taxes, federal Social Security and Medicare taxes totaling between “\$134 million to \$187 million annually.” Meanwhile, Oregon employers paid an estimated \$97 million to \$136 million annually on behalf of their undocumented workers.

- The Iowa Policy Project determined that “undocumented immigrants pay an estimated aggregate amount of \$40 million to \$62 million in state taxes each year.” Immigrants also make tax contributions through their enormous purchasing power. In a 2002 study by the Center for

Urban Economic Development at the University of Chicago, researchers found that undocumented immigrants in the Chicago metro area spent \$2.81 billion in 2001 – spending which “sustained 31,908 jobs in the local economy.”

As the baby boomers creep towards retirement and begin to strain the SSA, immigrants will be subsidizing Social Security benefits, making retirement possible for millions of Americans. By requiring the undocumented to come out of the shadows and earn legal status, immigrants will not only contribute by paying taxes, but will play a hefty role in shoring up the teetering Social Security system, and provide a fiscal windfall to U.S. taxpayers. [Portions of this article are excerpted from an official AILA memorandum.]

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