

Thomas, Top Tax Writer in House, to Retire From U.S. Congress

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By Ryan J. Donmoyer and Daniel Taub

March 6 (Bloomberg) -- Representative Bill Thomas, the chairman of the House Ways and Means Committee who steered President George W. Bush's five tax cuts into law, said he would retire from Congress.

"For the first time in four decades, Sharon and I have decided that I will not be on the ballot," said Thomas, 64, referring to his wife at a news conference in his hometown of Bakersfield, California.

Thomas, who is in his 14th term and has served in Congress since 1979, is one of the most senior Republican legislators.

More than a dozen House Republicans will vacate their seats in Congress this year, complicating the party's hopes in November elections of retaining the majority it has held since 1995.

Thomas's retirement was expected because House rules limiting the length of time a lawmaker may head a committee require him to step down as chairman of the Ways and Means Committee at the end of the year. The committee is considered one of the most powerful in Congress because it writes tax laws and has jurisdiction over issues such as trade, Social Security, and Medicare.

Thomas's departure would be a blow to Republicans and the Bush administration because he has delivered some of Bush's top tax and trade priorities, including the tax cuts and renewed authority for the president to negotiate trade agreements that are considered by Congress without amendments.

'Best at Delivering'

"Chairman Thomas was not only prolific but one of the best at delivering issues for the president and for the Congress," said Mark Weinberger, vice chairman of the Ernst & Young LLP accounting firm in New York. "He was one who clearly understood both policy and had the ability to legislate," said Weinberger, who served as Bush's first assistant secretary for tax policy in the Treasury Department.

Louisiana Representative Jim McCrery is expected to beat out rival Republicans Nancy Johnson of Connecticut and Clay Shaw of Florida for the Ways and Means chairmanship next year if Republicans retain their majority in the House, according to Pamela Olson, a former top tax official in the Bush administration.

McCrery, 55, has been positioned as Thomas's successor for several years since becoming chairman of a Ways and Means subcommittee that handles lawmakers' pet tax projects.

"He's smart, articulate," Olson said. "He has a very nice demeanor about him. He at least tries to reach across the aisle. He's got the most capability."