



**JUST THE FACTS!**

**TITLE: "FALSE BLOWS AND REPEATING HISTORY"**

**EPISODE #: 26**

**HOST**

Welcome back to Just the Facts, the weekly vid-cast from FactCheck.org, I'm Emi Kolawole, and this week we've got two stories for you. The first is about a false claim being made in an AFL-CIO ad attacking John McCain. Let's watch:

**VIDEO: AFL-CIO AD "NOT NOW"**

**ANNOUNCER:**

He even took sides with Bush against increasing health care benefits for veterans.

**HOST**

This would be damaging stuff for the former Navy man, if it were true. But it's not.

**GRAPHIC: MCCAIN VOTING RECORD/VETERAN'S HEALTH CARE**

The ad is referring to McCain's votes against Democratic amendments in 2004, 2005 and 2006. All of them called for an increase in veterans' health care funding, and all of them failed in the Republican controlled Senate. But McCain voted for other measures to increase veterans' health funding. And all of those amendments passed either unanimously or by a big margin. Most of them didn't provide *as much* funding as the amendments he rejected, but one measure McCain voted for in 2007 called for slightly more funding for veterans' health care than the proposal he initially rejected. So the claim that McCain was "against increasing health care benefits for veterans" is false.

The ad claims McCain "took Bush's side," in his votes against the Democratic-backed amendments, but that's false too, since the President never weigh in on any of the amendments.

**VIDEO: AFL-CIO AD "NOT NOW"**

**HOST**

The ad also makes the following claim about McCain's support for the War in Iraq:

**ANNOUNCER**

He wants us to keep spending ten billion dollars a month in Iraq, just like Bush.

**HOST**

This is a bad case of false logic. It's true McCain has resisted any talk of what he refers to as a "retreat" from the war in Iraq. It's also true that we spend on average about \$10 billion a month there. But those two truths don't support the fact that McCain wants to keep spending that kind of money.

**GRAPHIC: MCCAIN & WAR SPENDING**

In fact, McCain is depending on the war coming to an end in order to meet his goal of balancing the budget. According to his "Jobs for America" plan released on July 9, McCain's campaign said: "The McCain administration would reserve all savings from victory in the Iraq and Afghanistan operations in the fight against Islamic extremists for reducing the deficit. Since all their costs were financed with deficit spending, all their savings must go to deficit reduction."

So, if this ad pops up on your television screen, you know not to be fooled. Now, before we take a look at this next claim from John McCain, we're going to take a trip back to the 2004 election and a claim made in an ad by the Bush-Cheney campaign attacking John Kerry:

**VIDEO: BUSH-CHENEY AD "COMMON SENSE VS. HIGHER TAXES"****ANNOUNCER:**

The liberals in Congress and Kerry's Plan: Raises taxes on small businesses. Nine-hundred-thousand small business owners would pay higher tax rates than most multinational corporations.

**HOST**

We found that claim to be misleading. The real figure was nowhere near 900,000 small businesses. Now watch history repeat itself, with a twist:

**AUDIO: MCCAIN RADIO ADDRESS****MCCAIN**

If you are one of the 23 million small-business owners who files as an individual rate payer, watch out – because as your business grows, my opponent proposes to raise your taxes.

## HOST

Last we checked 23 million was a lot larger than 900,000. Here's what changed, and here's why this claim is even more misleading than its forbearer:

## GRAPHIC: MCCAIN TAX RATIONALE

The McCain campaign snagged the 23 million figure from an outdated U.S. Chamber of Commerce claim, which cites a 2002 count by the U.S. Census Bureau. But that's six year-old data. And it includes "business owners" who own sideline hobby businesses, or made revenue from book deals, which means the count would include people like McCain and Obama. So, the figure is clearly a gross overstatement. But will Obama raise taxes on any small business owners? The answer is "yes." But, according to experts at the Urban-Brookings Tax Policy Center, it would affect well under a million of them. They estimate Obama's planned tax hike would affect 663,608 small business owners.

But what about the other small business owners? We find it likely that Obama's tax plan would allow many of them to save money, seeing as how it would not affect those making under \$200,000 a year, and would provide a tax credit for those making under \$150,000 a year. But McCain's underlying point does have some merit: that taxing affluent Americans would deny them the opportunity to spend money on other things, like hiring new employees if they are business owners. And that's it for this episode of Just the Facts. For more on all of these claims, be sure to check out our website at [www.factcheck.org](http://www.factcheck.org). I'm Emi Kolawole. Thanks for watching and see you next week.