



U.S. HOUSE OF REPRESENTATIVES

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A dozen ways the Republican tax plan helps the wealthy and corporations, at the expense of everyone else

The nonpartisan Tax Policy Center provided a preliminary analysis of the Republican Tax Framework, and the results were alarming. Once the tax plan is fully phased in by 2027, the wealthy get a huge tax cut, and many middle-class families actually see a tax increase.

Massive increase in the debt

1. Increases the debt by \$2.4 trillion over the next ten years (2018-2027), and \$3.2 trillion in the decade after that (2028-2037). Republicans will use this massive increase in the debt as an excuse to call for cuts to Medicare, Social Security, education, and more.

This is a huge tax cut for the wealthy

2. 80% of the tax cut goes to top one percent (2027).
3. The average tax cut for the top one percent is \$207,000 a year (2027).
4. The average tax cut for millionaires is \$230,000 a year (2027).
5. The average tax cut for the top one-tenth-of-one-percent is one million dollars a year (2027).

This is not a middle-class tax cut, and many working families will see their taxes go up

6. One-quarter of all households face a tax increase. That's over 42 million households (2027).
7. 45 percent of all households with children see a tax increase (2027).
8. Among households earning between \$50,000 and \$150,000, nearly one-third see a tax increase (2027).

Individuals are paying more so big corporations, wealthy passthroughs, and rich estates can pay less

9. In total, individuals see their taxes go up by \$471 billion, so that corporations, passthroughs, and estates can get a tax cut totaling \$2.9 trillion (2018-2027).
10. \$2 trillion in tax cuts go to corporations, who get their rate reduced from 35% to 20% (2018-2027). The vast majority of the benefit of corporate tax cuts go to shareholders and executives, not middle-class workers.
11. \$770 billion in tax cuts go to wealthy passthroughs, like hedge funds and lobbyists, who can exploit a giant new loophole in the form of a special top rate of just 25% (2018-2027).
12. \$239 billion in tax cuts are for rich estates, by eliminating the estate tax. This only affects estates that are worth more than \$11 million, which represents just two-tenths-of-one percent of estates each year (2018-2027).

Republicans try to hide the massive inequities in their budget, but the Tax Policy Center analysis uses the Republicans' own Better Way tax plan to fill in the gaps. Even the level of detail in the Republican plan is telling, and makes Republican priorities clear – the tax cuts for corporations and the wealthy are explicitly spelled out, while the middle-class and low-income families are ignored.