



For IMMEDIATE RELEASE
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Trump's Proposed Treasury Secretary Could Get \$3.3 Million Tax Cut Annually from Trump Tax Plan

Mnuchin's claim that "[t]here will be no absolute tax cut for the upper class" under Trump's tax plan is disproven by his potential big windfall

Mnuchin as Treasury Secretary could be perceived as having the bank robber guard the bank

WASHINGTON, D.C.—Americans for Tax Fairness estimates that Steven T. Mnuchin, President-elect Donald Trump's nominee for U.S. Treasury Secretary, could slash his personal tax bill by up to roughly \$3.3 million a year should Trump's tax plan become law. He would save similar amounts if House Speaker Paul Ryan's tax plan were enacted. Repeal of the Affordable Care Act (ACA) alone could cut Mnuchin's taxes by up to about \$500,000 a year by eliminating two Medicare taxes on high-income filers.

These estimates are based on the income and assets revealed in Mnuchin's recent financial disclosure statement filed with the U.S. Office of Government Ethics. ATF's analysis of Mnuchin's income between 2015 and 2016, and his financial assets and their current value, is [available here](#).

ATF's analysis of Mnuchin's financial disclosure form shows:

- Mnuchin is easily among the highest-income one-tenth of one percent of Americans. His income was between \$52.7 million and \$71.6 million over the two-year period 2015-16, or \$26.3 million to \$35.8 million a year. (The varied estimates are due to the income ranges provided in financial disclosures.) His total assets appear to be valued at between \$166 million and \$397 million, assuming there is no double-counting in the financial disclosure. He is therefore positioned to benefit handsomely from Trump's proposed major tax overhaul and plan to repeal the ACA. These would both result in deep tax cuts heavily tilted toward the rich, and Mnuchin would spearhead the effort as Treasury Secretary.
- Mnuchin could slash his tax bill by about \$2.5 million to \$3.3 million a year should Trump's broader tax plan become law and his income remain at the level it's been in recent years. Mnuchin would save similar amounts if House Speaker Paul Ryan's tax plan were enacted. [See Table below] These estimates are based on the tax cut that the non-partisan Tax Policy Center has estimated the richest 0.1% would receive under the Trump and Ryan tax plans in 2017—a 9.3 percentage-point cut in the share of their income paid in federal taxes under

Trump's plan and an 11.1 percentage-point cut under Ryan's plan. (These are conservative estimates for Mnuchin. His income is far above the average for the top 0.1%, therefore his percentage tax cut is also likely to be above average since Trump's tax plan highly favors the wealthiest households.)

- Republican lawmakers' efforts to repeal the ACA could slash Mnuchin's annual tax bill by roughly \$345,000 to \$510,000 by eliminating two Medicare taxes that are assessed on the richest 2%—the additional 0.9% Hospital Insurance tax and the 3.8% Medicare tax on unearned income. ACA repeal threatens the [health care of 30 million Americans](#) and would erode some [rare progress](#) made recently to reverse America's growing economic inequality.
- Mnuchin would benefit particularly from two tax cuts in the Trump and Ryan tax plans that are especially tilted towards the very wealthy:
 - Mnuchin gets income from or has assets in at least 66 pass-through entities, valued between \$34 million and \$135 million and generating income of between \$5.2 million and \$13.9 million from 2015 to 2016. Pass-throughs include partnerships, limited partnerships, limited liability companies, and other forms of business in which the owners pay the firm's taxes on their own returns at individual rates. Pass-through income is even more concentrated among very high-income households than is business income generally. Trump's tax plan proposes to slash the tax rate on pass-throughs to as low as 15%, from the current top tax rate of 39.6%, which would undoubtedly result in a huge windfall for Mnuchin.
 - Mnuchin's heirs could save tens of millions of dollars, perhaps over \$100 million, if Trump succeeds in eliminating the estate tax. If Forbes magazine is correct in its [\\$300 million estimate of Mnuchin's net worth](#), then abolishing the 40% tax on the wealthiest 0.2% of estates could increase the inheritances of Mnuchin's family by as much as \$120 million. ATF's estimate that Mnuchin's assets could be worth up to nearly \$400 million could mean a tax break for his heirs of up to \$160 million.

"Steven Mnuchin' has stated that under Trump's tax plan '[\[t\]here will be no absolute tax cut for the upper class](#),'" said Frank Clemente, executive director of Americans for Tax Fairness. "But that's at complete odds with the tax plans proposed by candidate Trump and House Speaker Paul Ryan. At his confirmation hearing, Mnuchin should be grilled about how as Treasury Secretary he would fix those plans so that they meet his test. Given how much Mnuchin stands to personally gain from these tax plans, the public may view Mnuchin's confirmation as Treasury Secretary as akin to having the bank robber guard the bank."

Clemente continued: "The enormous tax breaks that will be given to Mnuchin and other wealthy Americans by repealing the ACA and enacting the Trump tax plan are a betrayal of working families. Mnuchin and his friends on Wall Street get a huge tax cut, but millions of families lose their health care. Mnuchin needs to answer the question: 'What will you do as

Treasury Secretary to keep your pledge to working families that there ‘will be no absolute tax cut for the upper class?’”

Estimated Tax Savings for Steven Mnuchin from Trump and House GOP Tax Plans

Mnuchin total annual income, low estimate: \$26,345,000		
Mnuchin total annual income, high estimate: \$35,778,000		
	Trump Tax Plan 2017	House GOP Tax Plan 2017
Top 0.1 percent income threshold	\$3,750,000	\$3,750,000
Top 0.1 percent average income	\$11,430,000	\$11,430,000
Top 0.1 percent average percentage point tax cut	9.3%	11.1%
Mnuchin tax cut, based on lower income estimate	\$2,450,000	\$2,924,000
Mnuchin tax cut, based on higher income estimate	\$3,327,000	\$3,971,000
Sources:		
Income: Americans for Tax Fairness calculations based on Mnuchin’s financial disclosure report filed with the U.S. Office of Government Ethics, Jan. 10, 2017 and available here .		
Tax Cuts: Estimates based on Tax Policy Center analyses of Trump and Ryan tax plans. ¹		
Trump tax plan is available here .		
House GOP tax plan is available here .		

¹ The calculations are based on Tax Policy Center estimates of how much the average taxpayer in the top 0.1% would save under the GOP plans. Mnuchin’s income and therefore estimated tax savings are expressed in ranges because the financial disclosure form allows for data to be reported in such bands. However, over 80% of the lower estimate is based on almost \$42 million of precisely identified income figures. Moreover, the estimates are conservative in that the size of the tax cuts in TPC’s estimates rise with incomes, and Mnuchin’s income exceeds the average income of the top 0.1 percent.

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Americans for Tax Fairness is a diverse coalition of [425 national and state endorsing organizations](#) that collectively represent tens of millions of members. The organization was formed on the belief that the country needs comprehensive, progressive tax reform that results in greater revenue to meet our growing needs. ATF is playing a central role in Washington and in the states on federal tax-reform issues.

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