



PAUL RYAN'S TAX PLAN LOOKS A LOT LIKE DONALD TRUMP'S TAX PLAN—AND NEITHER SERVES THE AMERICAN PEOPLE

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House Speaker Paul Ryan and Donald Trump may disagree on some issues, but they are united when it comes to giving huge tax breaks to the wealthy and big corporations. [Ryan's tax plan](#) closely resembles that of the presumptive Republican presidential nominee, as detailed below and in the chart on the next page. But while Ryan and Trump may both support tax policies favoring the rich and corporations, the American people strongly oppose them.

Both the Ryan and Trump tax plans will:

- Slash income tax rates for corporations and the wealthy.
- Give a huge tax break to multinational corporations that have \$2.4 trillion in untaxed profits stashed offshore, allowing them to pay just a fraction of the \$700 billion in U.S. taxes they actually owe.
- Repeal the estate tax, which is designed to raise needed revenue and limit the accumulation of inherited fortunes at a time of growing wealth inequality.
- Lose trillions of dollars in revenue needed to maintain existing critical services and to pay for new investments. Their tax giveaways will likely not be paid for by closing other tax loopholes benefitting the rich and corporations. If they are paid for at all it is likely to be through massive cuts to vital benefits and services on which working families depend.

These tax plans are not supported by the American people. According to a recent [Gallup poll \(April 6-10, 2016\)](#):

- 61% think upper-income people pay too little in taxes; just 15% say they pay too much.
- 67% think corporations pay too little; just 12% say they pay too much.

It's time Congress supports what the public wants, not what wealthy donors and well-connected lobbyists can get from a rigged tax system. A strong and prosperous society is built on a foundation paid for with taxes. Raising the resources needed to invest in schools, healthcare, roads and bridges, job training, affordable housing, homeland security, national defense and a secure retirement creates an economy that works for everyone.

Following is a chart showing some of the similarities between the Ryan and Trump tax plans:

RYAN'S TAX PLAN	10-YEAR COST	10-YEAR COST ¹	TRUMP'S TAX PLAN
<p>Slashes corporate income tax rate from 35% to 20%. Also eliminates the Alternative Minimum Tax (AMT), which ensures a minimum tax is paid after deducting for generous tax breaks.</p>	\$1.7 Trillion ²	\$2.1 Trillion	<p>Slashes corporate income tax rate from 35% to 15%. Eliminates AMT and some loopholes to partially pay for the tax cut.</p>
<p>Slashes taxes owed by U.S. corporations on \$2.4 trillion in offshore profits. Proposes a tax rate of 8.75% on offshore cash and cash equivalents, and a 3.5% rate on non-cash assets. This would raise \$170 billion³—about \$525 billion less than the \$695 billion it is estimated corporations owe.⁴</p>	\$525 Billion	\$550 Billion	<p>Slashes taxes owed by U.S. corporations on \$2.4 trillion in offshore profits. Proposes a tax rate at or below 10%, which would raise \$148 billion—about \$550 billion less than the \$695 billion it is estimated corporations owe.</p>
<p>Slashes the top income tax rate on pass-through business income from 39.6% to 25%. Includes sole proprietorships, partnerships, limited liability corporations and S corps.</p>	NA	\$997 Billion	<p>Slashes the top income tax rate on pass-through business income from 39.6% to 15%. Includes sole proprietorships, partnerships, limited liability corporations and S corps.</p>
<p>Cuts top personal income tax rate from 39.6% to 33%. Collapses seven tax brackets into three—33%, 25% and 12%. Eliminates the AMT, which ensures a minimum tax is paid after deducting for generous tax breaks.</p>	NA	\$4.3 Trillion	<p>Slashes top personal income tax rate from 39.6% to 25%. Collapses seven tax brackets into three—25%, 20% and 10%. Eliminates the AMT.</p>
TBD			<p>Average income tax cut for top 0.1%—\$1.3 million⁵ Avg. tax cut for top 1%—\$275,000. Avg. cut for middle-income families—\$2,700.</p>
<p>Cuts tax rates paid on long-term capital gains, dividends and interest. Excludes half of investment income from tax, reducing current tax rates of 24% (including 3.8% investment tax that helps finance Obamacare) and 15% to 16.5%, 12.5% and 6%.</p>	NA	\$192 Billion	<p>Repeals 3.8% tax on long-term capital gains and dividends. This tax is on top of the 20% tax on long-term capital gains and dividends. It subsidizes health insurance for low-income people under Obamacare and is assessed on the investment income of taxpayers with an AGI over \$250,000.</p>
<p>Repeals estate and gift taxes. Estate tax effects less than two-tenths of 1% of estates,⁶ those worth \$5.5 million or more.</p>	\$269 Billion ⁷	\$224 Billion	<p>Repeals estate and gift taxes. Estate tax effects less than two-tenths of 1% of estates, those worth \$5.5 million or more.</p>
TOTAL REVENUE LOST	TBD	\$9.5 Trillion	TOTAL REVENUE LOST

¹ Trump plan cost estimates from Tax Policy Center (TPC), "An Analysis of Donald Trump's Tax Plan" (Dec. 22, 2015), Table 3, p.7.

<http://www.taxpolicycenter.org/sites/default/files/alfresco/publication-pdfs/2000560-an-analysis-of-donald-trumps-tax-plan.pdf>

² TPC, "An Analysis of Governor Bush's Tax Plan (Dec. 8, 2015), Table 3, p. 8. <http://www.taxpolicycenter.org/publications/analysis-governor-bushs-tax-plan/full>.

³ Joint Committee on Taxation (JCT), JCX-98-15 (June 24, 2015), Table 1, Item A, p. 11.

<https://www.jct.gov/publications.html?func=startdown&id=4797>

⁴ Citizens for Tax Justice, "Fortune 500 Companies Hold a Record \$2.4 Trillion Offshore" (March 3, 2016), p. 1.

<http://ctj.org/pdf/pre0316.pdf>

⁵ TPC, Trump's tax plan, Table 5.

⁶ TPC, Table T12-0318 (Dec. 13, 2012). Calculation is 3,500 taxable returns in 2012 out of 2,636,000 deaths = 0.13%.

<http://www.taxpolicycenter.org/model-estimates/estate-tax-tables-2012/estate-tax-returns-and-liability-under-current-law-and>

⁷ JCT, "Description of H.R. 1105, The "Death Tax Repeal Act of 2015" (March 24, 2015), p. 13.

<https://www.jct.gov/publications.html?func=startdown&id=4760>