



Background Memo  
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## McCONNELL COMMENTS ON CUTTING SOCIAL SECURITY, MEDICARE, MEDICAID REVEAL HARM CAUSED BY TRUMP-GOP TAX CUTS

WASHINGTON, D.C.—A recent [NPR-PBS-Marist poll](#) found that by a 60% to 21% margin the public—including a plurality of Republicans—favor rolling back the Trump-GOP tax cuts to reduce the deficit instead of cutting services like Social Security, Medicare and Medicaid. The question was spurred by recent comments from Senate Majority leader Mitch McConnell who [blamed the rising deficit](#) on the cost of “entitlement” programs—Social Security, Medicare and Medicaid. He denied that the [\\$2 trillion cost of the tax cuts](#), which mostly benefit the wealthy and large corporations, are the cause. He said the GOP would likely target these services for cuts in the next session of Congress.

The Treasury Department’s figures rebut Sen. McConnell’s claims. Spending in fiscal year 2018 [increased just 3%](#), and as a share of the economy actually declined. Meanwhile, thanks to the Trump-GOP tax cuts, corporate tax receipts to the Treasury [fell by 31%, from \\$297 billion to \\$205 billion](#), while their profits and stock prices were soaring.

McConnell’s claims are not playing well on the campaign trail, and some GOP candidates are trying to distance themselves from his plan. During [a recent debate](#), Rep. Peter Roskam (R-IL), a member of the House Ways and Means Committee and one of the architects of the Trump-GOP tax cuts, was asked about McConnell’s suggestions that Social Security, Medicare and Medicaid would be on the chopping block.

“I’ve not said that,” Roskam replied. “That’s not a good idea.”

Similarly, in a hotly contested race in Minnesota’s 8<sup>th</sup> Congressional District, Republican candidate Pete Stauber was on the defensive when his opponent, Democrat Joe Radinovich, said the GOP planned to slash Social Security and Medicaid to pay for the tax cuts.

“This administration will not cut Medicare and will not cut Social Security,” [Stauber responded](#). “Hard-working families, hard-working seniors in this state have worked all their lives. This nation made a promise to them—promises made, promises kept.”

When Radinovich pointed out that Republican leaders in Congress and President Trump have already proposed cuts to Medicare and Social Security, Stauber said, “That’s not true. That’s absolutely not true, I won’t stand for that. That’s not true. Not true.”

In fact, President Trump’s proposed budget seeks to [slash \\$1.7 trillion](#) from essential services such as Medicare, Medicaid, Social Security disability benefits and more. Not to be outdone, Republicans in

Congress have proposed [a budget that cuts \\$5 trillion overall](#), including \$2 trillion from Medicare, Medicaid and the Affordable Care Act.

Critics of the Trump-GOP tax cuts, including Americans for Tax Fairness, have long argued that Republicans would propose cuts to Medicare, Medicaid and Social Security to cover the \$2 trillion cost of the tax cuts. At the same time, the tax cuts are facing new reports that they have not lived up to the claims by proponents that they would create more jobs and increase investment.

According to the latest GDP numbers, [nonresidential fixed investment was only up 0.8%](#) in the third quarter of this year. And a [survey by the National Association for Business Economics](#) found that 81% of its members surveyed in the third quarter indicated the tax cut law “has not caused their firms to change hiring or investment plans—an increase from the share in previous surveys.” Announced stock buybacks by corporations have reached [a record \\$786 billion](#), 111 times more than the \$7.1 billion that companies have announced they are spending on worker pay raises and bonuses since the tax cuts were enacted, according to ATF’s comprehensive analysis.

For these reasons, Republican candidates are not talking much about the Trump-GOP tax cuts, their signature achievement, in their campaign messages. Roskam, for example, [has not run a single ad](#) mentioning them during his campaign.

President Trump has been moved to say he knew of no plans to cut Social Security and Medicare. In a [recent speech in Montana](#), he said, “We will protect Medicare and Social Security, and Democrats will destroy your Social Security. And they will destroy your Medicare.” That left Wisconsin GOP Senate candidate Leah Vukmir to say she was “standing with the president” when pressed in a debate on GOP plans to cut benefits. And the National Republican Campaign Committee stepped in with an [ad warning voters](#) that *Democrats* are the ones who will cut Medicare.

“Senator McConnell finally pulled back the curtain and admitted the truth about the Trump-GOP tax cuts that we’ve been saying all along: to pay for their massive tax giveaway costing \$2 trillion that mostly benefits the wealthy and big corporations, services like Medicare, Medicaid and Social Security will be targets for cuts,” said Frank Clemente, executive director of Americans for Tax Fairness.”

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