



MCCONNELL COVID AID BILL PUTS MILLIONAIRES OVER SERVICES FOR FAMILIES & COMMUNITIES

Report Details How Much State & Local Governments Would Get for Services by Repealing Huge Tax Break for Wealthy that Nets Additional \$250 Billion

WASHINGTON, D.C.—The [arbitrary \\$1 trillion cap](#) Senate Majority Leader Mitch McConnell and his GOP colleagues are struggling to impose on the year's final coronavirus aid bill could be [loosened by nearly \\$250 billion](#), or 25%, if they would only support repeal of a huge tax cut for the wealthy snuck into the Covid-19 relief act passed in March. That extra money could be a down payment on the \$1 trillion needed to support collapsing state and local public services—a key component of pandemic relief that has so far been shut out of the Republican bill.

The tax break—dubbed the “Millionaires Giveaway”—is an [egregious tax handout to the rich](#) that this year alone gives 43,000 wealthy business owners tax cuts averaging \$1.6 million.

In the table below and [here](#), Americans for Tax Fairness has calculated the amount of new aid each state could get if Congress repeals the Giveaway and uses the revenue to bolster state and local services, based on the formula for direct aid to states contained in the House-passed Heroes Act. State recipients include some of the country's worst coronavirus hot spots, such as: Arizona (\$5.2 billion), California (\$23.7 billion), Florida (\$12.7 billion), Georgia (\$7 billion), New York (\$17.2 billion), Texas (\$16.9 billion) and Mitch McConnell's state of Kentucky (\$3.5 billion).

Some of these amounts [exceed states' estimated revenue shortfalls](#) this year and next caused by the pandemic recession. But because of the unprecedented nature of the nation's simultaneous crises, those shortfall estimates may well be too optimistic.

Similarly, their revenue shortfalls are exceeded by the growth in wealth of their state's billionaires during the pandemic. The wealth of the country's 640 billionaires was up [\\$713 billion, or 24%](#), between March 18 and July 16 (data is updated weekly).

McConnell has so far included zero dollars for state and local services in previews of a bill that will almost surely be the last pandemic recession aid package of 2020. Not only will countless Americans suffer from the loss of public services but the drag from local government budget cuts and layoffs will deepen and prolong the recession.

The Heroes Act passed by the House over two months ago repeals the Millionaires Giveaway and puts that nearly \$250 billion to better use by helping to [fund more than \\$1 trillion in aid](#) to state and local governments, including for health care and education.

“It's outrageous that Mitch McConnell would stiff-arm the state and local governments that are on the front lines of our medical, economic and social crises,” said Frank Clemente, executive director of Americans for Tax Fairness. “Especially when there's \$250 billion ripe for the picking just by denying millionaires and billionaires another unwarranted tax break.”

State	State Allocation from \$500 Billion in HEROES Act Over 2 Years (\$ Billions)	Share of HEROES Act State Fiscal Relief Fund Going to State	Revenue to States From \$246 Billion Millionaires Giveaway Repeal (\$ Billions)
Alabama	\$7.1	1.4%	\$3.5
Alaska	\$2.8	0.6%	\$1.4
Arizona	\$10.6	2.1%	\$5.2
Arkansas	\$5.3	1.1%	\$2.6
California	\$48.1	9.6%	\$23.7
Colorado	\$9.2	1.8%	\$4.5
Connecticut	\$7.1	1.4%	\$3.5
Delaware	\$3.3	0.7%	\$1.6
District of Columbia	\$3.2	0.6%	\$1.6
Florida	\$25.8	5.2%	\$12.7
Georgia	\$14.2	2.8%	\$7.0
Hawaii	\$3.3	0.7%	\$1.6
Idaho	\$3.8	0.8%	\$1.9
Illinois	\$18.6	3.7%	\$9.1
Indiana	\$9.5	1.9%	\$4.7
Iowa	\$5.8	1.2%	\$2.9
Kansas	\$5.2	1.0%	\$2.6
Kentucky	\$7.1	1.4%	\$3.5
Louisiana	\$8.6	1.7%	\$4.2
Maine	\$3.4	0.7%	\$1.7
Maryland	\$9.6	1.9%	\$4.7
Massachusetts	\$11.9	2.4%	\$5.9
Michigan	\$14.1	2.8%	\$6.9
Minnesota	\$8.3	1.7%	\$4.1
Mississippi	\$5.4	1.1%	\$2.7
Missouri	\$9.0	1.8%	\$4.4
Montana	\$3.1	0.6%	\$1.5
Nebraska	\$4.5	0.9%	\$2.2
Nevada	\$5.9	1.2%	\$2.9
New Hampshire	\$3.5	0.7%	\$1.7
New Jersey	\$16.4	3.3%	\$8.1
New Mexico	\$4.5	0.9%	\$2.2
New York	\$34.9	7.0%	\$17.2

State	State Allocation from \$500 Billion in HEROES Act Over 2 Years (\$ Billions)	Share of HEROES Act State Fiscal Relief Fund Going to State	Revenue to States From \$246 Billion Millionaires Giveaway Repeal (\$ Billions)
North Carolina	\$13.4	2.7%	\$6.6
North Dakota	\$2.8	0.6%	\$1.4
Ohio	\$16.0	3.2%	\$7.9
Oklahoma	\$5.9	1.2%	\$2.9
Oregon	\$6.3	1.3%	\$3.1
Pennsylvania	\$19.2	3.8%	\$9.4
Rhode Island	\$3.6	0.7%	\$1.8
South Carolina	\$7.0	1.4%	\$3.5
South Dakota	\$3.0	0.6%	\$1.5
Tennessee	\$9.4	1.9%	\$4.6
Texas	\$34.3	6.9%	\$16.9
Utah	\$5.5	1.1%	\$2.7
Vermont	\$2.7	0.5%	\$1.3
Virginia	\$11.7	2.3%	\$5.7
Washington	\$11.2	2.2%	\$5.5
West Virginia	\$4.0	0.8%	\$2.0
Wisconsin	\$8.5	1.7%	\$4.2
Wyoming	\$2.6	0.5%	\$1.3

*Totals may be slightly off due to rounding

Sources

[Speaker of the House, The Heroes Act; does not include \\$20 billion for Puerto Rico and territories](#)

[Joint Committee on Taxation Net Operating Loss Revenue Score, p. 3](#)