



FOR IMMEDIATE RELEASE:
May 7, 2020

SEN. WHITEHOUSE'S BILL TO REPEAL \$135 BILLION 'MILLIONAIRES GIVEAWAY' ADDS TO GROUNDSWELL FOR REFORM IN CARES 2 BILL

ATF Sends Letter to Speaker Pelosi, Chairman Neal, Opposing Inclusion of Tax Cuts for the Wealthy and Corporations in Next Coronavirus Package

WASHINGTON – Adding further momentum to an outrage-fueled reform effort, Senators Sheldon Whitehouse (D-RI) and Sherrod Brown (D-OH) and 22 other senators today introduced legislation (S. 3640) that would repeal a [\\$135 billion tax giveaway](#) to the nation's wealthiest noncorporate business owners slipped into the CARES coronavirus relief bill enacted in late March. The bill is companion to [one already before the House \(H.R. 6579\)](#) authored by Reps. Lloyd Doggett (D-TX) and Rosa DeLauro (D-CT) with 50 other cosponsors.

Today, [ATF sent a letter](#) to House Speaker Nancy Pelosi and Ways and Means Committee Chairman Richard Neal, reiterating support for repealing the \$135 billion Millionaires Giveaway. The letter also urged them not to include in new House legislation tax breaks proposed by President Trump and corporate trade associations, such as a payroll tax cut, capital gains tax cuts, permanent expensing of new investments, expanded business interest tax deductions, business meals and entertainment tax deductions, and tax breaks on offshore profits.

In recent weeks other leading Democrats—including presumptive Democratic Presidential candidate [Joe Biden](#) and Sen. [Elizabeth Warren](#)—have called for repeal of the \$135 billion “Millionaires Giveaway,” which in the midst of unprecedented suffering and hardship hands 43,000 millionaires [tax cuts averaging \\$1.6 million](#) each. [Nearly 200 organizations](#) have denounced the tax break in a letter to Congress and 66 members of the House did likewise in a [letter to House Speaker Nancy Pelosi](#).

Americans for Tax Fairness is spearheading the repeal effort. Frank Clemente, ATF's executive director, said: “This \$135 billion ‘millionaires giveaway’ is one of the most offensive tax breaks I have ever seen come out of Washington because it is so costly, so heavily skewed to wealthy business owners, and embedded in a law that was supposed to be about protecting the health and livelihoods of working families. But Congress can fix this. It has pulled back ill-advised handouts in the past, including a \$50 billion giveaway to the tobacco industry that was snuck into a tax-cut bill, then quickly repealed in the face of public outrage. It needs to do the same today.”

Opposition to the Millionaires Giveaway is particularly fierce because:

- It wastes \$135 billion on a handout to the wealthy—including hedge fund owners and [real estate developers like the Trump family](#)—even as desperate health and economic needs of ordinary Americans mount every day;
- The CARES Act spent over three times as much on the Millionaires Giveaway as it did on basic safety net programs [like food and housing aid](#) (\$42 billion), more than it allotted to hospitals and public health (\$100 billion) and almost as much as went to hard-pressed state and local governments (\$150 billion).
- The next coronavirus relief bill can put the \$135 billion where it belongs, such as supporting states and cities as they battle on the front lines of the pandemic and a major recession.

Along with repealing the Millionaires Giveaway, the Whitehouse-Doggett legislation would revoke an equally gratuitous but smaller tax handout on net operating losses that are also available to corporations. It costs \$25 billion, according to the Joint Committee on Taxation, for a total cost of \$160 billion when combined with the \$135 billion Millionaires Giveaway.