# PUBLIC INTEREST GROUP STATEMENTS IN OPPOSITION TO THE PASSAGE OF THE TRUMP-GOP TAX BILL

December 19, 2017

## AFL-CIO, William Samuel, Director of the Government Affairs Department

"This tax bill is a job killer that gives huge tax breaks to wealthy corporations that outsource jobs at the expense of working people. ... Working people will be stuck with the bill for this wasteful tax boondoggle. We will pay the price in the form of outsourced jobs, because this bill eliminates U.S. taxation of corporate profits earned from offshore operations. Working people will pay the price in taxes, as 70 million households making less than \$100,000 will pay higher taxes by 2027. We will pay the price in the form of Medicaid and Medicare benefit cuts, as Republican leaders have already announced their plans to use the deficit they have created as an excuse to cut benefits for working people. Working people will pay the price in the form of job-killing cuts to education, infrastructure, and other essential services that will result from lost federal revenues and from limiting the deduction for state and local taxes."

### Alliance for Retired Americans, Richard Fiesta, Executive Director

"Retirees see this tax plan for what it is: a windfall for big corporations, real estate developers, hedge fund managers and the very wealthiest Americans. The nonpartisan Tax Policy Center reports that fully 83% of the cuts go to the top 1%. The 4.4 million members of the Alliance for Retired Americans are committed to holding the House members who voted for this accountable next November. We will not rest in exposing this scam tax bill."

### American Bridge, Shripal Shah, Vice President

"Donald Trump and Republicans in Congress just got one step closer to selling out middle class Americans to give big corporations and their wealthy campaign donors a Christmas gift. They're jamming through a sham bill that raises taxes on millions of middle class families, makes health care more expensive, cuts Medicare, and skyrockets our deficit, all to give the super-wealthy huge tax breaks. Put simply, it's a complete betrayal of working Americans, and they will hold Republicans accountable for breaking their promises."

### AFSCME, Scott Frey, Director of Federal Government Affairs

"This irresponsible legislation would worsen current wealth inequality through regressive, unneeded, trillion-dollar tax giveaways to the wealthiest 1 percent and large profitable corporations. It reduces tax rates and creates new tax breaks for millionaires and billionaires and encourages multinational conglomerates to send U.S. jobs and profits offshore to lower tax countries and tax havens. ... It caps the more than 100-year-old federal itemized tax deduction for state and local government taxes, including income tax, sales tax, and real estate or property tax. This new \$10,000 cap makes it more difficult for states and localities to finance and deliver public education, health care, child care and other vital public services."

# American Federation of Teachers, Randi Weingarten, President

"America is supposed to be about lifting all boats and giving everyone a shot at the American dream. Instead, President Trump and congressional Republicans are creating a new Gilded Age that prioritizes the wealthy over wage earners. Not only does this bill give massive tax breaks to the wealthy and corporations at a time of record profits, and on a day the Dow opened to another high, but Republicans will pay for these breaks by raising taxes on working people and slashing the deduction for state and local taxes, which will cut funding for public schools, police, and fire services."

# Americans for Financial Reform/Take on Wall Street Campaign, Lisa Donner, Executive Director, AFR, and Porter McConnell, TOWS, Campaign Manager

"The majority in Congress is making a corrupt bargain with Wall Street and wealthy elites. At a time when millions of everyday Americans are struggling with stagnant wages, Republicans have decided to use the tax code to reward its contributors." (*Donner*)

"Polls have shown that the Republican tax bill is <u>deeply unpopular</u>. Voters recognize it for what it is: a giant holiday gift to Wall Street and the super-rich that the rest of us will be paying off for decades. Not even the administration's own Treasury department was able to offer an economic <u>justification</u> for gifting tax cuts to corporations and wealthy individuals." (*McConnell*)

### Americans for Tax Fairness, Frank Clemente, Executive Director

"This monstrosity is not tax reform. It's a money grab by the richest 1% and the wealthiest corporations, period. It will be paid for by raising taxes on millions of working families and raiding Social Security, Medicare, Medicaid, and other critical services they cherish and depend on. Plainly speaking: a vote for this bill is a vote to inflict harm on millions of hardworking families to please corporate campaign donors and the six thousand lobbyists who pushed for it."

# American Sustainable Business Council, David Levine, President, CEO and Co-Founder

"This bill fails as corporate tax reform because it cuts the wrong taxes at the wrong time. Cutting corporate and pass-through taxes now, during this strong business cycle, will not achieve the growth Republicans say it will. Instead, the plan will boost the deficit, risk inflation and require future cuts to infrastructure, research, and education investments that all businesses rely on as key building blocks. Investors will line their pockets, while very few companies will invest in employees. Wall Street wins while the real economy loses."

### Coalition on Human Needs, Deborah Weinstein, Executive Director

"Today the tax bill Grinch stole Christmas and handed it over to corporations and the wealthiest Americans. This House vote was a lavish holiday gift for the rich, and it will be a gift that keeps on giving for years to come. ... And the deficit it opens up is already being used as an excuse to threaten cuts in vital programs like Medicaid, SNAP/food stamps, and aid for people with disabilities. Services of all kinds will be hit: health care, education, road maintenance, housing assistance, child care, protection against epidemics and environmental damage, Meals on Wheels, and much more. Low- and middle-income families will in 2027 pay higher taxes and lose services; low-income families with children will lose the most. This will be yet another way low-income people will pay for tax cuts for the rich and corporations."

# Communications Workers of America, Shane Larson, Legislative Director

"Under the bill, companies that shift operations like call centers overseas could potentially face no U.S. taxes on their overseas earnings. It makes no sense to provide additional tax incentives for companies to move good jobs overseas, as this bill does. ... Finally, although the bill's supporters promised numerous times that it would not benefit the wealthy or Wall Street, the opposite is the case. Instead of closing the carried interest loophole—which allows predatory private equity and hedge funds to pay a lower tax rate than teachers, nurses or call center customer service representatives—it opens yet another loophole for these same multimillionaires by allowing them to reclassify their businesses as 'pass-through' corporations subject to a lower tax rate."

# Center for American Progress, Neera Tanden, President and CEO

"The bill adds to President Donald Trump's destructive and petty sabotage of the ACA by taking away health care from millions of Americans to pay for tax cuts for the richest Americans. The promise for so-called tax reform that would make the system fairer and simpler has been replaced by legislation that explodes loopholes and makes the tax code more, not less, complex. And this proposal will destroy America's last great wilderness by turning the Arctic National Wildlife Refuge into an industrial oil field—a measure that has nothing to do with our tax code but everything to do with securing necessary votes."

### Center for Economic and Policy Research, Dean Baker, Co-Director

"The Republican response to four decades of upward redistribution of wealth before-tax income is a \$1.5 trillion tax plan to hand over even more income to the richest people in the country. Most of the people responsible for this bill rank among the richest one percent, and they constructed a bill that is tailor-made to make them even richer. This includes provisions on the estate tax, pass-through income, and special provisions for the real estate and oil industry. ... The original promise was a tax reform bill that would benefit the middle class. This bill is not reform and does not benefit the middle class. It makes the code far more complicated with its special interest provisions and the beneficiaries are overwhelmingly the highest income people in the country."

# Children's Defense Fund, Marian Wright Edelman, President

"As 2.3 billion Christians around our world prepare to celebrate the birth of a poor baby in Bethlehem called Jesus who they believe is the Son of God, the Congress and the President of the United States have declared war on poor babies, children, youths and families. They are working feverishly to plunder and emasculate the basic survival safety net over 13.2 million poor and millions more low and moderate income children and families need to survive: their health care, food, housing, early childhood supports, education and so much more. Why? In order to give massive tax cuts to billionaires and millionaires and powerful corporations."

# **CREDO Action, Murshed Zaheed, Political Director**

"Trump's Republican lap dogs in the House have, yet again, demonstrated their steadfast commitment to delivering huge payouts to their super rich and special interest friends. Now, House Republicans are hand-delivered an opportunity to jam through the Senate—as soon as tonight—their own special version of this morally corrupt, cruel and barbaric legislation, without meaningful hearings, and while effectively silencing the voices of the majority of Americans. Every member of Congress who voted for the Trump Tax Scam will forever be remembered for hurting our communities and selling out the American people to big corporations and the super-rich mucking it up in Trump's swamp."

# Economic Policy Institute, Josh Bivens, Research Director

"The tax bill represents nothing short of wholesale looting by the Republican Party, on behalf of the wealthiest Americans and large corporations. Despite claims that it will trickle-down to working people, <u>there is no evidence</u> that corporations will do anything with the money they save in taxes other than reward shareholders with more dividends and executives with higher salaries—a fact that many high-profile CEOs have admitted to. When fully-phased in, the bill will give 83 percent of its benefits to the top 1 percent. Incredibly, it raises taxes on half of working families. To add further injury, the bill kneecaps the Affordable Care Act by eliminating the individual mandate—destabilizing health insurance markets, raising health insurance premiums, and leaving 13 million people without health insurance."

# End Citizens United, Tiffany Muller, President

"Just in time for the holidays, Republicans have delivered a gift-wrapped bill to their megadonors. It's a shameful display of the rigged system in Washington, where politicians take money from wealthy special interests and in turn advance their interests in Congress. Make no mistake, this bill is going to hurt middle class families—the backbone of America. Voters won't forget this one. The 2018 elections are around the corner and ECU will hold them accountable. Seventeen incumbent Republicans on End Citizens United's (ECU) "<u>Big Money 20</u>" list voted for the tax bill. These seventeen incumbents benefited from \$11.7 million in spending from special interest groups pushing for tax reform, and voted in favor of their mega-donors' interests while voting against reform measures to unrig the system."

# Every Voice, David Donnelly, President and CEO

"This bill is nothing more than an early Christmas present to the wealthy donors and corporations who Republicans will now have to rely on to save them from this deeply unpopular bill come reelection season. President Trump and his allies in Congress are blatantly taking money from hardworking families and putting it in the pockets of big donors who fill their campaign coffers. This is our broken, corrupt campaign finance system at its worst. If we don't fix our broken political system, this will hardly be the last time politicians in Washington side with big donors over their constituents. Americans are fed up with a government that doesn't work for them and they deserve a fairer, more just political system in which the voices of everyday people can he heard above those of big campaign donors."

### Healthcare for America Now (HCAN), Ethan Rome and Margarida Jorge, Co-Chairs

"This tax bill is a scam. It's not about reforming the tax code or creating jobs—it's about raising taxes on working families and taking away health care from children, seniors, and people with disabilities to increase the wealth of the top 1 percent and big corporations. The GOP is engineering a massive redistribution of wealth from low- and moderate-income families to wealthy individuals, Wall Street CEOs and corporations."

### Institute on Taxation and Economic Policy, Alan Essig, Executive Director

"During his inaugural address, President Trump gave a nod to widening income inequality and said he would focus on 'forgotten Americans.' But this tax bill proves this was nothing more than paying lip service to one of the most persistent problems of this generation. Research shows that nearly half of working families would have trouble scraping together \$400 for a minor emergency. Instead of taking time to understand and explore this very real social issue, lawmakers have decided to use the federal tax code to funnel more of the nation's wealth to the richest among us. Cake for the very rich and crumbs and trickle-down promises for the rest of us will not improve economic security for hardworking people."

# International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, Josh Nasser, Legislative Director

"This bill is a job killer, giving tax cuts to big corporations that outsource jobs. Currently, the United States taxes all profits of U.S. corporations, whether earned in the United States or in a foreign country, at the same rate. Under this bill, a business that creates jobs on Main Street USA would pay U.S. taxes on its profits at a higher rate than a business that sends those same jobs overseas. Often, no U.S. taxes would be paid on the profits the corporations earn from active operations in a foreign country (as opposed to domestic profits that the company disguises as foreign profits with accounting gimmicks). H.R. 1 provides major incentives for companies to move jobs offshore instead of encouraging businesses to create more jobs in America."

# The Leadership Conference on Civil and Human Rights, Vanita Gupta, President and CEO

"As we head into this holiday season, one thing is clear: The partisan tax bill that Congress will vote on this week is a huge gift to corporations and the wealthiest one percent of Americans. According to the non-partisan Joint Committee on Taxation, this Republican bill will add \$1.6 trillion to the deficit. And based on statements from Republican leadership, in 2018 we can expect the Republican Congress to try to slash essential programs like Social Security, Medicare, Medicaid, and food stamps to pay for it. Women, people with disabilities, children, and people of color will be disproportionately harmed. We cannot let this happen."

### League of Conservation Voters, Gene Karpinski, President

"This tax bill would turn the pristine and sacred Arctic National Wildlife Refuge into an industrial oil field. This provision is somehow being packaged together with a tax bill that delivers a massive tax cut for millionaires, billionaires, and huge corporations, raises taxes on the middle class, and harms communities nationwide by likely resulting in cuts to safeguards for our air,

water, lands, and wildlife. What's more, the bill's tax provisions put our clean energy future at risk."

# Main Street Alliance, Amanda Ballantyne, National Director

"Loaded with complex new loopholes and special interest kick-backs, this bill betrays the economic interests and wellbeing of everyday Americans, while lavishing outrageous, permanent benefits on big corporations and the wealthy. This unconscionable bill is not the tax reform that Main Street needs. Main Street Alliance small business owners across the country have long advocated against this bill, which fails to provide real solutions for small businesses. Republicans in Congress squandered an opportunity to close loopholes and set up a fairer tax code that could support improved infrastructure, education, healthcare investments and benefit small business owners."

# MoveOn.org Political Action, Ilya Sheyman, Executive Director

"Today's tax vote is a bucket of gasoline thrown on the fire of out-of-control economic inequality. Millions of families will suffer if the GOP tax scam that prioritizes the interests of big corporations and the wealthy over everyone else becomes law—and dozens of Republican members of Congress will lose their jobs. ... Every Senator should search their soul and listen to the calls of their constituents—if you value your constituents over wealthy corporations and billionaire donors, you still have the chance to reject this tax giveaway to the rich."

# National Education Association, Lily Eskelsen García, President

"Public schools have not fully recovered from the Great Recession. Now, by eliminating the state and local tax deduction, Congress just voted to blow a hole in state and local revenue to support public education, potentially risking the jobs of more than 130,000 educators, exposing public school students to serious and potentially damaging consequences—ballooning class sizes and overcrowded classrooms that deprive students of one-on-one attention."

### National Women's Law Center, Fatima Goss Graves, President and CEO

"Today's vote betrays everyday families across the country. Faced with cutting taxes for families or the wealthiest Americans, Republicans sided with the wealthy. Given the choice between making tax cuts permanent or temporary, they handed permanent cuts to corporations and only temporary, token cuts to families. To pay for the massive cuts that will benefit the richest, they eviscerated the Affordable Care Act—which will cause over 13 million people to lose their health insurance coverage. And they've already begun to discuss their plans to gut critical programs like Medicare, Medicaid, Social Security and nutrition assistance that millions of people depend on to survive. We will never accept the GOP's agenda of giving tax cuts for the rich while decimating these vital programs. These tax cuts must be repealed."

# Oxfam America, Gawain Kripke, Policy Director

"The tax bill passed today is a reckless and immoral looting of the US treasury by the 1%. ... It will take a while to comprehend all of the special gifts the bill gives to clients of the more than ten thousand lobbyists who lobbied on this bill. But one thing is clear: it will significantly increase poverty and inequality here in the US and around the world. Make no mistake, the

negative impacts will not be contained by our borders. This bill will further encourage offshoring of jobs and the tricks, schemes, and tax havens used by corporations that already sap an estimated \$100 billion from poor countries—revenue that should go towards building schools, bridges and hospitals. In fact, this bill makes it all worse."

# Patriotic Millionaires, Morris Pearl, Chair

"This bill isn't just cruel, it's un-American. No one in their right mind could possibly believe that the middle class has too much and the rich and powerful have too little in today's America, but somehow the majority of the House just voted to give the rich even more, at the expense of everyone else. It's a massive handout to the wealthy at the expense of the rest of the country, and every Member of the House knows it. Every Representative who voted for this bill just sold out their constituents. Whether it was for donors, or for their personal gain, or whatever, the result is clear: the rich get richer, and the middle class gets screwed."

# People For the American Way, Diallo Brooks, Senior Director of Outreach and Public Engagement

"For Black Americans still recovering from the Great Recession, the GOP tax bill will be devastating. There is no way to sugarcoat the largest wealth redistribution to the ultra-rich our nation has ever seen—this is going to be horrible. The GOP tax bill is an attack on African American communities across this country. It threatens the healthcare and essential social programs that most benefit our communities all to finance tax breaks for the rich. Just a decade after the Great Recession wiped out half of Black wealth, this bill is another huge blow to Black working families."

# **Progressive Congress Action Fund**

"This blatant attempt to benefit the ultra-wealthy and corporate cronies at the expense of working families will go down in history as the least popular piece of legislation in recent memory. At every stage of the process, the Republicans have attempted to mislead Americans about what the bill contains, while trying to pass this heinous piece of legislation through sneaky, secret, and misleading tactics, even while millions of Americans have expressed their opposition to this horrendous legislation. Most if not all of the Congressmembers voting on the bill have not even been able to read it in its entirety. The bill directly hurts ordinary working families to pay for a giant tax cuts for the ultra-wealthy and big corporations. The bill even includes incentives for corporations to send jobs overseas."

### Public Citizen, Robert Weissman, President

"Repeal and replace. That's the mantra that will haunt the Republicans ramming through the monstrous tax bill plundering regular Americans and our commonwealth in order to give aid and comfort to multinational corporations and the super-rich. This tax scam is an offense against democratic values, human decency, transparent and orderly process, justice, honest economics, the poor, solidarity and common sense. ... Corporations crave certainty and stability. Well, here's fair warning that they should not make investment decisions based on this tax scam, which will be repealed in response to overwhelming demand from the American people."

### 32BJ SEIU, Héctor Figueroa, President

"This hugely unpopular Republican tax plan is a giant Christmas present to the super wealthy and corporations while most taxpayers get delayed misery in the form of deep cuts to Medicare, Medicaid and education in the near future. This disastrous plan is an insult to the intelligence of the American people and proof that Republicans in Congress are there to shovel billions to the super-rich. Republicans in Congress believe that if they offer us a nickel now, we won't notice them rob our homes next week."

#### Small Business Majority, John Arensmeyer, Founder and CEO

"We're disappointed that the U.S. House of Representatives today voted to pass legislation that blows a \$1.5 trillion hole in the deficit while leaving small businesses behind. ... This hastily drawn tax plan gives a whopping 77 percent of the pass-through reduction benefit to the top 2.6 percent of firms, meaning the likes of hedge fund managers and wealthy lawyers would be the primary beneficiaries. Indeed, the financial benefits to a pass-through entity making \$500,000 are 20 times the benefits to a business making \$75,000. What's more, a priority of this legislation has been to slash corporate tax rates from 35 percent to 21 percent even though only five percent of small businesses pay corporate taxes."

### Tax March, Nicole Gill, Executive Director

"With blazing arrogance, Republicans are jamming their partisan tax bill through Congress, despite overwhelming opposition from the American people. ... While wealthy individuals, corporations and Republican donors celebrate tonight, working families across the country will have to figure out how they will pay an even bigger tax bill. Make no mistake, we stand with the majority of the American people that oppose this bill and are prepared to fight tooth and nail to repeal the Trump Tax. Republicans who voted for this measure are now on notice: we will hold you accountable in 2018 and beyond."

### United for a Fair Economy's Responsible Wealth Project

"400 wealthy and upper income members of Responsible Wealth and Voices for Progress delivered a letter to Congress in October saying that any tax changes should be revenue neutral, and should not increase economic inequality. This tax plan fails on both accounts adding over \$1 Trillion to the deficit, and giving 82% of its benefits to the top 1% of taxpayers, while leaving the bottom 60% worse off than before. Corporations and the wealthy are already sitting on piles of cash, so there is no economic benefit to giving them this added windfall. Worst of all, this bill will force 13 million people to lose health coverage, and will lead to cuts in Medicaid, Medicare, education and infrastructure investments that benefit the entire population, all to enrich the wealthy few."

### United Steelworkers, Leo W. Gerard, International President

"At a time when the American people are calling for a new approach on trade, it's amazing that lawmakers would vote for a package that will hurt America's global manufacturing firms that have been decimated by unfair trade. Companies that have lost money because of dumping and subsidized products flooding into our market from countries like China would pay an additional cost under the Trump/Republican tax bill. That's simply unacceptable. This legislation is a tax cut for the rich and powerful masquerading as reform. Tax reform is about choices: The conference report makes clear that the choice is to promote a return to Trickle-Down Economics. Rather than promoting growth from the ground up, the bill showers huge tax benefits on corporations and the wealthy. That orthodoxy has proven a resounding failure."

# Working Families Party, Dan Cantor, National Committee Chair

"Today the House of Representatives delivered its poisonous holiday package to Americans. It's a so-called tax reform bill stuffed full of goodies for Wall Street and the wealthiest, and they're sticking their greedy hands in our pockets to pay for it. Not since the age of monopolists and robber barons have we seen such naked avarice and disregard for the needs of Americans. The majority of Americans oppose the bill but legislators simply don't care. Despite all evidence, Republicans are still lying, telling us that the bill is tax reform rather than outright theft. But Americans aren't stupid. They're showing how smart they are at the ballot box. From down ballot elections to major contests in New Jersey, Virginia, and Alabama, voters are rejecting Trumpian candidates and their Paul Ryan-style policies."