



**Testimony in Support of Maine Legislative Document 1422,
An Act to Require Presidential and Vice-Presidential Candidates
To Disclose Their Federal Income Tax Returns
Submitted by Frank Clemente, Executive Director, Americans for Tax Fairness
Public Hearing, Committee on Veterans and Legal Affairs, April 24, 2017**

Americans for Tax Fairness (ATF) strongly supports LD 1422, which would require all presidential and vice-presidential candidates to publicly release their federal tax returns for the five most recent years to appear on the Maine ballot. ATF is a coalition of 425 national, state and local endorsing organizations united in support of a tax system that works for all Americans. We have over 1,800 members and online supporters in Maine.

Tax returns can supply the answers to some crucial questions for voters during presidential elections: How much have the candidates paid in taxes to support the nation they wish to lead? Would any of their businesses or investments conflict with presidential duties, or even compromise national security? Would they personally benefit from any tax-law changes promoted by their campaigns or that they will try to enact into law should they get into office?

Though the need for LD 1422 (and similar laws in other states) is exemplified by President Donald Trump's refusal to release his tax returns while running for president, the issue transcends a single candidate. Mr. Trump's break with forty years of bipartisan tradition may well embolden future candidates to follow his lead and begin a tradition of nondisclosure.

Voters deserve to know how much presidential candidates have contributed in federal taxes to support the country's national defense, health and retirement systems, and other vital public investments. Despite being one of the nation's wealthiest men, President Trump has [paid zero or close to zero in federal income taxes for at least five](#) of the past 40 years.¹ The most recent IRS Taxpayer Attitude Survey found that [94% of taxpayers](#) believe that it is every American's duty to pay their fair share of taxes.² However, [taxpayer morale can be harmed](#) when they believe that others are not paying their fair share.³

¹ Michelle Ye Hee Lee, "What we know about Donald Trump and his taxes so far," *The Washington Post* (August 1, 2016). https://www.washingtonpost.com/news/fact-checker/wp/2016/08/01/what-we-know-about-donald-trump-and-his-taxes-so-far/?utm_term=.bfd72d0959d9

² IRS Oversight Board, "2014 Taxpayer Attitude Survey," (December 2014). <https://www.treasury.gov/IRSOB/reports/Documents/IRSOB%20Taxpayer%20Attitude%20Survey%202014.pdf>

³ Vanessa Williamson, "Americans are proud to pay taxes — except when they think others are cheating." *The Washington Post* (April 18, 2017). https://www.washingtonpost.com/news/monkey-cage/wp/2017/04/18/americans-are-proud-to-pay-taxes-except-when-they-think-others-are-cheating/?utm_term=.9d1b5b12678f

It is also essential for voters to know about candidates' business and investment arrangements that might tempt them, once in office, to act in their own self-interest rather than for the good of the country—especially when those actions have national security implications. The murky public details of President Trump's business dealings with Russia and other foreign governments—paired with his decision not to divest his businesses after taking office—offer a perfect argument for why candidates should be transparent about their financial interests and the conflicts they might pose with their official duties if elected. Tax returns are a crucial tool for understanding these potential entanglements.

Finally, voters have a right to know if and how candidates will personally benefit from any campaign pledges to overhaul the tax system. The tax plan put forth by candidate Trump, for example, contains several provisions that would greatly enrich him and his family. They include elimination of the [Alternative Minimum Tax](#) (AMT)⁴ and the [estate tax](#),⁵ and a steep cut in the so-called “pass-through” business tax rate. Collectively, these changes [could save him and his family billions of dollars in taxes](#).⁶ But because of the failure to release his tax returns, voters never had the chance to determine just how much Mr. Trump and his family could benefit from these and other tax changes promoted by his campaign.

Contrary to President Trump's assertion that the American people don't care about his tax returns, a Washington Post-ABC News poll conducted in mid-January found that [74% of Americans thought he should release them](#).⁷ This includes 49% of Republicans, in addition to 75% of Independents and 89% of Democrats, demonstrating that this is not a one-party issue.

The Pew Research Center found in another poll that [60% of the public believes President Trump has a responsibility to release his returns](#), compared to 33% that believes he does not have this responsibility.⁸ And since January 20, more than [1 million people](#) have signed a petition on the White House website calling on President Trump to immediately release his tax returns.⁹ Clearly, Americans want this kind of financial transparency.

⁴ Americans for Tax Fairness, “Trump Trying to Eliminate the Biggest Tax He Pays: The Alternative Minimum Tax” (March 15, 2017). <https://americansfortaxfairness.org/trump-trying-eliminate-biggest-tax-pays-alternative-minimum-tax/>

⁵ Chye-Ching Huang and Chloe Cho, “Ten Facts You Should Know About the Federal Estate Tax,” *Center on Budget and Policy Priorities* (September 8, 2016). <http://www.cbpp.org/research/ten-facts-you-should-know-about-the-federal-estate-tax>

⁶ Americans for Tax Fairness, “The Six Worst Features of Ronald trump's Tax Plan,” (accessed April 21, 2017). <https://americansfortaxfairness.org/wp-content/uploads/ATF-Six-Worst-Features-of-Donald-Trumps-Tax-Plan-FINAL-.pdf>

⁷ Washington Post-ABC News Poll, January 12-15, 2017. https://www.washingtonpost.com/page/2010-2019/WashingtonPost/2017/01/16/National-Politics/Polling/question_18449.xml?uuid=YaxgCtwnEeaJAmEP5IZ5HA

⁸ Pew Research Center, “Negative Views of Trump's Transition, Amid Concerns About Conflicts, Tax Returns,” (January 10, 2017). <http://www.people-press.org/2017/01/10/negative-views-of-trumps-transition-amid-concerns-about-conflicts-tax-returns/>

⁹ The White House We the People petition, “Immediately release Donald Trump's full tax returns, with all information needed to verify emoluments clause compliance” (accessed April 21, 2017). <https://petitions.whitehouse.gov/petition/immediately-release-donald-trumps-full-tax-returns-all-information-needed-verify-emoluments-clause-compliance>

The national political climate makes it unlikely any time soon that Congress will require presidents or major party candidates to release their tax returns. It is even more unlikely President Trump would sign such legislation. Therefore, it is critical that states step in to ensure that future presidential and vice-presidential candidates remain accountable to the public. By passing LD 1422, Maine would give voters more complete information about the candidates for the nation's highest offices and their potential conflicts of interest, and set an example for other states considering similar legislation.