

For Immediate Release:
July 3, 2018

WITH GAS PRICES AND HEALTH CARE COSTS RISING, MANY AMERICANS WILL SEE NO BENEFIT FROM TRUMP-GOP TAX CUTS

At July 4th Holiday, Trump's Tax Cut Promises Hit the Skids

WASHINGTON, D.C. —Working families who have been waiting to see the benefits of the Trump-GOP tax cuts will be waiting awhile longer: their promised tax cuts will likely be eaten up by higher gas prices just as they hit the road for the Fourth of July holiday and by higher health insurance and prescription drug costs.

It is estimated that increases in regular gas prices since January 2017 are costing Americans about \$420 more a year, on average. On top of that, a middle-class family of four could see a nearly \$2,000 increase in health insurance premiums under the Affordable Care Act next year, on average. These costs are far above the tax cut a typical working family will receive.

Meanwhile, six months after passage of the Trump-GOP tax cut law, the nation's wealthiest one percent will be watching fireworks at the country club in great comfort knowing that their Trump tax cuts will provide them with a \$55,000 average tax cut a year, according to the [Institute on Taxation and Economic Policy](#).

According to figures from [GasBuddy.com](#), the price of regular gas has risen nationally from \$2.30 in January 2017 to \$2.84 in June 2018, a jump of 54 cents or 23%. This works out to around \$8.10 more for a weekly fill-up of a 15-gallon tank, or about \$421 a year. Over the same period, gas prices in New York City rose by 47 cents, or \$367 more a year; in Detroit by 74 cents, or \$577 more a year; in Las Vegas by 79 cents, or \$616 more a year; and in Salt Lake City by 93 cents, or \$725 more a year. See gas prices table [here](#).

Gas prices aren't the only rising household expense facing working families. Health insurance premiums are headed up too due in part to Trump's attacks on the Affordable Care Act (ACA). The Trump-GOP tax law did away with a key provision of the ACA requiring people to buy insurance or pay a penalty. The resulting [\\$314 billion in reduced health care costs](#) (p. 2) is being used to partially pay for tax cuts mostly for the wealthy and corporations, such as prescription drug firms and health insurers.

The Congressional Budget Office estimates that this change will [cause premiums for ACA family plans to increase 10% a year](#) for the foreseeable future, or [nearly \\$2,000 a year](#). It will also cause 13 million people to lose health care coverage by 2025.

"American families are seeing this tax cut law for what it is – a scam," said Frank Clemente, executive director of Americans for Tax Fairness. "It's a handout to the wealthy and big

corporations while many of us will see little or nothing, especially when rising gas prices and higher health insurance premiums are factored in.”

Besides giving huge tax cuts to the wealthy, the Trump-GOP tax law is giving a gusher of tax breaks to big oil companies and prescription drug companies. Seventeen oil and gas companies already received one-time tax cut benefits of [\\$25 billion](#) this year, and four of the biggest oil companies are estimated to be getting a tax cut of [\\$15 billion](#) over the next decade. America’s top 10 drug companies are [saving \\$76 billion in taxes on their \\$500 billion in profits stashed offshore](#), as they rake in record profits and continue to price gouge customers and public health programs.

Added Clemente: “Lawmakers need to declare their independence from President Trump and Republican leaders in Congress by joining the effort to repeal the tax cuts for the wealthy and big corporations. If they don’t the real fireworks will be at the polls this November, as voters will express their anger at politicians who favor Big Oil and drug companies over working families. We need strong health and retirement programs like Social Security, Medicare and Medicaid, not tax breaks for the wealthy and hugely profitable corporations.”