

AMERICANS FOR TaxFairness

TRUMP'S TAX & BUDGET PLANS

TRUMP'S TAX GIVEAWAYS (Cuts are over 10 years)	HARM TO WORKING FAMILIES (Cuts are over 10 years)
<p><u>\$3.5 TRILLION TO \$4.8 TRILLION: TOTAL COST OF TRUMP'S TAX CUTS, MOSTLY FOR THE WEALTHY & CORPORATIONS</u>¹</p> <ul style="list-style-type: none"> • Richest 1% get: <ul style="list-style-type: none"> • Half the tax cuts • \$175,000 tax cut each year (average)² • Trump requires one-quarter of middle-class families to pay more in taxes under his plan.³ <p><i>NOTE: Tax cuts based on Trump's tax plan from April 26, 2017. Data described below total more than \$4.8 trillion because some tax loopholes are closed to raise revenues.</i></p>	<p><u>\$4.3 TRILLION: TRUMP'S BUDGET CUTS TO SOCIAL SECURITY, MEDICAID, EDUCATION & ALL OTHER SERVICES</u>⁴</p> <ul style="list-style-type: none"> • Trump would cut nearly \$2 trillion from health care, mostly Medicaid, harming children, people with disabilities, older Americans, and working families. • \$72 billion cut from Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) for low-income seniors or people with disabilities. • \$667 billion cut from food stamps, housing assistance, job training, and other critical services. • Includes other deep cuts to education, medical research, environmental protections, and infrastructure.
<p><u>\$2.3 TRILLION CORPORATE TAX RATE CUT</u>⁵</p> <ul style="list-style-type: none"> • Corporate tax rate slashed from 35% to 15%. • Corporate tax cuts mostly benefit the wealthy.⁶ • Today, corporate profits are near record highs since the 1950s, while corporate taxes are at record lows.⁷ 	<p><u>\$2.5 TRILLION CUT TO SERVICES THAT BOOST WORKING FAMILIES</u>⁸</p> <ul style="list-style-type: none"> • From health care to job training, housing assistance to nutrition, Trump's budget slashes programs vital to working families—all to pay for his corporate tax breaks. • These service cuts are 60% of the \$4.3 trillion in total cuts proposed by Trump.⁹ Our families lose out while wealthy corporations take more and more.
<p><u>\$1.4 to \$2 TRILLION TAX CUT FOR HEDGE FUND MANAGERS, CORPORATE LAWYERS & TRUMP</u>¹⁰</p> <ul style="list-style-type: none"> • Slashes top tax rate on business owners from 39.6% to 15%, helping wealthy hedge fund managers, corporate lawyers, and real estate developers like Trump. • Just 7% of all business owners would get this tax cut.¹¹ • Top 1% gets three-quarters of this tax break—a tax cut of \$75,000 each a year (average).¹² • 400 richest families (like Trump) would get a \$9 million tax cut each year (average).¹³ 	<p><u>\$1.9 TRILLION CUT TO MEDICAID & OTHER HEALTH CARE SPENDING</u>¹⁴</p> <ul style="list-style-type: none"> • Trump's budget would repeal the Affordable Care Act (ACA) and make even deeper cuts to Medicaid, totaling \$1.6 trillion.¹⁵ • Trump would take away Medicaid coverage from 19 million people under ACA repeal.¹⁶ His additional cuts would put even more patients at risk. • Medicaid provides health care to 69 million children, adults, seniors and people with disabilities.¹⁷ It covers nearly two-thirds of nursing home residents¹⁸ and almost half of all births.¹⁹

<p style="text-align: center;">TRUMP'S TAX GIVEAWAYS (Cuts are over 10 years)</p>	<p style="text-align: center;">HARM TO WORKING FAMILIES (Cuts are over 10 years)</p>
<p style="text-align: center;"><u>\$600 BILLION TAX BREAK FOR CORPORATIONS STASHING PROFITS OFFSHORE</u></p> <ul style="list-style-type: none"> U.S. corporations have \$2.6 trillion in profits stashed offshore. They owe about \$750 billion in taxes on those profits.²⁰ Trump wants to cut their tax bill to just \$150 billion—a \$600 billion tax break.²¹ Corporations should pay what they owe, just like working families and small businesses do. 	<p style="text-align: center;"><u>\$261 BILLION CUT TO TRANSPORTATION INFRASTRUCTURE</u>²²</p> <ul style="list-style-type: none"> Trump's budget cuts the repair and maintenance of ground, air, and water transportation systems. Cuts the underfunded Highway Trust Fund by \$96 billion, losing up to 1.2 million jobs over 7 years.²³ U.S. infrastructure is rated D+.²⁴ Funding is \$2 trillion short of what's needed over next decade even before Trump's cuts.²⁵ Shortfall means 2.5 million fewer good-paying jobs in one year.²⁶
<p style="text-align: center;"><u>\$445 BILLION TAX CUT FROM REPEALING A MINIMUM TAX ON THE WEALTHY</u>²⁷</p> <ul style="list-style-type: none"> Eliminates the Alternative Minimum Tax (AMT), which prevents the wealthy from using deductions and other breaks to sharply reduce or eliminate their tax bill. The AMT prevented Trump from cutting his taxes by \$31 million in 2005, the one year his tax return has been made public.²⁸ Trump's tax rate would have been less than 4% if the AMT had been repealed.²⁹ 	<p style="text-align: center;"><u>\$346 BILLION CUT TO EDUCATION, TRAINING, EMPLOYMENT & SOCIAL SERVICES</u>³⁰</p> <ul style="list-style-type: none"> Makes deep cuts to K-12 education and college financial aid, eliminating subsidized loans helping 6 million students afford college each year.³¹ Eliminates after-school and summer programs for almost 2 million students.³² Cuts job training and employment services, depriving 570,000 people of help in 2018.³³ Ends funding for Special Olympics education.³⁴ Cuts support for child care, Head Start, and other early childhood education services.³⁵
<p style="text-align: center;"><u>\$240 BILLION TAX CUT FROM REPEALING TAX ON ESTATES WORTH MORE THAN \$5.5 MILLION</u>³⁶</p> <ul style="list-style-type: none"> Repeals the estate tax, allowing Trump's kids and other rich heirs to inherit fortunes tax-free. Estate tax is only paid by estates worth at least \$5.5 million.³⁷ Just 2 out of every 1,000 estates³⁸ owes any tax—or only 5,500 estates in 2017.³⁹ 	<p style="text-align: center;"><u>\$193 BILLION CUT TO NUTRITION ASSISTANCE</u>⁴⁰</p> <ul style="list-style-type: none"> Eliminates food stamps for millions of households by cutting the Supplemental Nutrition Assistance Program (SNAP or food stamps).⁴¹ SNAP feeds more than 42 million,⁴² including 1 in 4 children.⁴³ Cuts Meals on Wheels support by eliminating three block grants.⁴⁴ Meals on Wheels delivers food to 2.4 million low-income seniors a year.⁴⁵
<p style="text-align: center;"><u>\$150 BILLION TAX CUT ON INVESTMENT INCOME OF THE WEALTHY</u>⁴⁶</p> <ul style="list-style-type: none"> Eliminates a 3.8% tax on the wealthy's income from stocks, interest, rent and royalties used to fund the Affordable Care Act. Tax cut benefits fewer than 3% of taxpayers.⁴⁷ Millionaires would get a \$40,000 annual tax cut (average).⁴⁸ 	<p style="text-align: center;"><u>\$72 BILLION CUT IN SUPPORT FOR PEOPLE WITH DISABILITIES</u>⁴⁹</p> <ul style="list-style-type: none"> Cuts Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI), risking the financial security of people with disabilities. SSDI supports 10.5 million people who can't work due to injury or illness and their spouses and children.⁵⁰ SSI benefits 8.2 million disabled seniors, adults, and children with limited incomes.⁵¹

SOURCES

- ¹ The \$3.5 trillion figure is from the Tax Policy Center (TPC), “The Implications of What We Know and Don’t Know About President Trump’s Tax Plan” (July 12, 2017), Table 2. http://www.taxpolicycenter.org/sites/default/files/publication/142616/implications_of_what_we_know_and_dont_know_about_president_trumps_plan_1.pdf. The \$4.8 trillion figure is from the Institute on Taxation and Economic Policy, “Trump’s \$4.8 Trillion Tax Proposals Would Not Benefit All States or Taxpayers Equally” (July 20, 2017). <https://itep.org/trumptaxprelim/>
- ² TPC, “The Implications of... Trump’s Tax Plan,” Table 4.
- ³ *Ibid.*
- ⁴ Center on Budget and Policy Priorities (CBPP), “Trump Budget Gets Three-Fifths of Its Cuts From Programs for Low- and Moderate-Income People” (May 30, 2017), p. 1. http://www.cbpp.org/research/federal-budget/trump-budget-gets-three-fifths-of-its-cuts-from-programs-for-low-and#_ftn1
- ⁵ TPC, “The Implications of... Trump’s Tax Plan,” Table 2.
- ⁶ CBPP, “Corporate Tax Cuts Skew to Shareholders and CEOs, Not Workers as Administration Claims” (July 20, 2017). <https://www.cbpp.org/research/federal-tax/corporate-tax-cuts-skew-to-shareholders-and-ceos-not-workers-as-administration>
- ⁷ Estimates are measured as a share of the economy/GDP. Americans for Tax Fairness and Economic Policy Institute, “Corporate Tax Chartbook: How Corporations Rig the Rules to Dodge the Taxes They Owe” (Sept. 2016), p. 5. <https://americansfortaxfairness.org/corporate-tax-chartbook-how-corporations-rig-the-rules-to-dodge-the-taxes-they-owe/>
- ⁸ CBPP, “Trump Budget,” p. 1
- ⁹ CBPP, “Trump Budget,” p. 1
- ¹⁰ TPC, “The Implications of... Trump’s Tax Plan,” Table 2.
- ¹¹ TPC, “Options to Reduce the Taxation of Pass-through Income” (May 15, 2017), p. 6. <http://www.taxpolicycenter.org/sites/default/files/publication/141541/options-to-reduce-the-taxation-of-pass-through-income.pdf>
- ¹² *Ibid.*
- ¹³ CBPP, “Trump Tax Plan’s Pass-Through Tax Break Would Provide Massive Windfall to the Wealthy” (May 22, 2017), p. 10. <https://www.cbpp.org/research/federal-tax/trump-tax-plans-pass-through-tax-break-would-provide-massive-windfall-to-the>
- ¹⁴ CBPP, “Trump Budget,” p. 2.
- ¹⁵ CBPP, “Trump Budget,” p. 2.
- ¹⁶ CBO, “Cost Estimate: Obamacare Repeal Reconciliation Act of 2017” (July 19, 2017), p. 10. <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/52939-hr1628amendment.pdf>
- ¹⁷ Medicaid.gov, “May 2017 Medicaid and CHIP Enrollment Data Highlights.” <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>
- ¹⁸ Kaiser Family Foundation, “Medicaid’s Role in Nursing Home Care” (June 20, 2017). <http://www.kff.org/infographic/medicaids-role-in-nursing-home-care/>
- ¹⁹ Kaiser Health News, “Nearly Half of U.S. Births Are Covered By Medicaid” (Sept. 3, 2013). <http://khn.org/news/nearly-half-of-u-s-births-are-covered-by-medicaid-study-finds/>
- ²⁰ Institute on Taxation and Economic Policy, “Fortune 500 Companies Hold a Record \$2.6 Trillion Offshore” (March 2017). <http://www.itep.org/pdf/pre0327.pdf>
- ²¹ TPC, “The Implications of... Trump’s Tax Plan,” Table 2.
- ²² *The New York Times*, “How Trump’s Budget Would Affect Every Part of Government” (May 23, 2017). <https://www.nytimes.com/interactive/2017/05/23/us/politics/trump-budget-details.html?q=transportation>
- ²³ Center for American Progress (CAP), “How the Trump Budget Undermines Economic Security for Working Families” (May 23, 2017). <https://www.americanprogress.org/issues/economy/news/2017/05/23/432842/trump-budget-undermines-economic-security-working-families/>
- ²⁴ American Society of Civil Engineers (ASCE), “2017 Infrastructure Report Card” (March 2017). <http://www.infrastructurereportcard.org/>
- ²⁵ ASCE, “2017 Infrastructure Report Card: Economic Impact” (March 2017). <http://www.infrastructurereportcard.org/the-impact/economic-impact/>
- ²⁶ *Ibid.*
- ²⁷ TPC, “The Implications of... Trump’s Tax Plan,” Table 2.
- ²⁸ *The New York Times*, “Trump Wrote off \$100 Million in Losses in 2005, Leaked Returns Show” (March 14, 2017). <https://www.nytimes.com/2017/03/14/us/politics/donald-trump-taxes.html?hp&action=click&pgtype=Homepage&clickSource=story-heading&module=first-column-region®ion=top-news&WT.nav=top-news&r=1>
- ²⁹ *The New York Times*, “A.M.T., Which Hit Trump in 2005, Is No One’s Favorite” (March 15, 2017). <https://www.nytimes.com/2017/03/15/business/economy/trump-alternative-minimum-tax.html>
- ³⁰ *The New York Times*, “How Trump’s Budget Would Affect Every Part of Government” (May 23, 2017). <https://www.nytimes.com/interactive/2017/05/23/us/politics/trump-budget-details.html?q=education>
- ³¹ CAP, “How the Trump Budget Threatens the American People” (May 26, 2017). <https://www.americanprogress.org/issues/economy/reports/2017/05/26/433065/trump-budget-threatens-american-people/>

-
- ³² NPR, "Under Trump Budget, Nearly 2 Million Kids May Lose After-School Care" (May 2, 2017). <http://www.npr.org/sections/ed/2017/05/02/526452564/under-trump-budget-nearly-2-million-kids-may-lose-after-school-care>
- ³³ CAP, "How the Trump Budget Threatens the American People"
- ³⁴ *The Washington Post*, "Here are K-12 education programs Trump wants to eliminate in 2018 budget" (May 18, 2017). https://www.washingtonpost.com/news/answer-sheet/wp/2017/05/18/here-are-k-12-education-programs-trump-wants-to-eliminate-in-2018-budget/?utm_term=.a8487f3b48c9
- ³⁵ National Women's Law Center, "Trump Budget Would Reduce Families' Access to Early Care and Education" (July 2017). <https://nwlcl.org/wp-content/uploads/2017/08/Trump-Budget-Would-Reduce-Families-Access-to-Early-Care-and-Education-Final.pdf>
- ³⁶ TPC, "The Implications of... Trump's Tax Plan," Table 2.
- ³⁷ CBPP, "Ten Facts You Should Know About the Federal Estate Tax" (May 5, 2017). <https://www.cbpp.org/research/federal-tax/ten-facts-you-should-know-about-the-federal-estate-tax>
- ³⁸ CBPP, "Ten Facts You Should Know About the Federal Estate Tax."
- ³⁹ TPC, "Briefing Book: Who pays the estate tax?" <http://www.taxpolicycenter.org/briefing-book/who-pays-estate-tax>
- ⁴⁰ CBPP, "Trump Budget," p. 2.
- ⁴¹ CBPP, "President's Budget Would Shift Substantial Costs to States and Cut Food Assistance for Millions" (July 19, 2017), p. 1. <https://www.cbpp.org/research/food-assistance/presidents-budget-would-shift-substantial-costs-to-states-and-cut-food>
- ⁴² U.S. Department of Agriculture, Food and Nutrition Service, Supplemental Nutrition Assistance Program FY14-FY17 National View Summary, April 2017 (July 7, 2017). <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>
- ⁴³ CBPP, "SNAP Helps Millions of Children" (April 26, 2017). <https://www.cbpp.org/research/food-assistance/snap-helps-millions-of-children>
- ⁴⁴ *The Hill*, "Funding Confusion Complicates Meals On Wheels Budget Fight" (May 27, 2017). <http://thehill.com/policy/finance/335368-funding-confusion-complicates-meals-on-wheels-budget-fight>
- ⁴⁵ Meals on Wheels America, U.S. Fact Sheet (2017). <http://www.mealsonwheelsamerica.org/docs/default-source/fact-sheets/2017/mealsonwheelsamerica-2017usfactsheet.pdf?sfvrsn=2>
- ⁴⁶ TPC, "The Implications of... Trump's Tax Plan," Table 2.
- ⁴⁷ TPC, "Table T17-0139: Repeal 3.8 Percent Surtax on Net Investment Income" (April 18, 2017). <http://www.taxpolicycenter.org/model-estimates/individual-income-tax-expenditures-april-2017/t17-0139-repeal-38-percent-surtax-net>
- ⁴⁸ CBPP, "House GOP Health Plan Eliminates Two Medicare Taxes, Giving Very Large Tax Cuts to the Wealthy" (March 20, 2017). <http://www.cbpp.org/research/federal-tax/house-gop-health-plan-eliminates-two-medicare-taxes-giving-very-large-tax-cuts>
- ⁴⁹ CAP, "The Trump Budget's Attack on People with Disabilities" (May 23, 2017). <https://www.americanprogress.org/issues/economy/news/2017/05/23/432851/trump-budgets-attack-people-disabilities/>
- ⁵⁰ Social Security Administration, "Monthly Statistical Snapshot, June 2017," Table 2 (July 2017). https://www.ssa.gov/policy/docs/quickfacts/stat_snapshot/
- ⁵¹ *Ibid.*, Table 3.