

OVERVIEW

Expiration of the Tax Cuts and Jobs Act (TCJA):

In December 2017 the Republicans in Congress passed the Tax Cuts and Jobs Act in which more than 80% of the tax cuts benefited wealthy individuals and corporations. This year, some portions are set to expire - those that impact personal income taxes. The corporate tax rate and loopholes were made permanent and passed without an expiration date. The Trump-GOP tax cuts of 2017:

- Slashed the corporate tax rate from 35% to just 21%
- Maintained loopholes that billionaires exploit to pay lower tax rates than teachers, nurses and firefighters.
- Increased the number of trillionaires who, according to Americans for Tax Fairness, are \$2.2T richer since 2018.
- Modified tax loopholes that greatly benefitted large corporations.
- Lowered the individual tax rate, increasing standard deductions, mortgage interest and charitable deductions. And itemized deductions were set to a higher level for those earning \$400K or more.
- Exempted levels of estate and gift taxes went from \$5M to \$13.6M another way wealth is hoarded within families.
- Increased the Child Tax Credit (CTC) from \$1K per child to \$2K per child which has helped many families. During the pandemic, President Biden's American Rescue Plan (ARPA), extended the credit from \$2,000 to \$3,600 for qualifying children under age 6, and \$3,000 for other qualifying children under age 18 and permitted parents to receive monthly payments. We can maintain the CTC without huge tax cuts to billionaires they don't need them.

QUESTION:

When taxes are cut how do we fund the service we need: Education, Childcare, Roads, Healthcare, Nutrition Programs?

We can have the system of care we want—
if we elect people who fight with us to have it.



THE 2025 TAX FIGHT

Fight the Expansion of the TCJA in 2025:

Republicans in Congress have proposed an expansion of the tax breaks in the TCJA in an attempt to make the cuts permanent, and expand the tax cuts largely to benefit wealthy individuals and corporations. To pay for these tax cuts, which are expected to cost up to 4.4 trillion dollars, they plan to gut Medicaid, SNAP, targeted populations in CHIPS and other safety net programs - robbing working class families and poor children because apparently, billionaires, trillionaires and wealthy corporations need even more money.

- a. The House has proposed a minimum of \$1.5T in cuts, which would gut Medicaid and the Child Health Insurance Program (CHIPS), which pay for the healthcare of nearly half the children in the country and 41% of all births. Children, seniors, and people with disabilities, nursing homes, hospitals and more will be impacted by these cuts. Programs like SNAP, which stave off hunger for millions of families, face severe reductions as well.
- b. This is only part of the story. The House Budget Chair's "Reverse the Curse" plan goes even further, calling for \$16 trillion in cuts over the next decade. These proposals aim to dismantle Social Security, Medicare, and Medicaid entirely.
- c. If Congress renews all aspects of the expiring TCJA the top 0.1%— just 200,000 families—would see an average tax cut in the first year alone of \$314,000, while the bottom 50% of families would receive less than \$1 a day. These tax breaks would add \$5.5 trillion to the national debt, creating more budget pressure on our public services.

QUESTION:

Which of these services do you or your family members depend on?

Using Reconciliation in Congress

Republicans in Congress will use the Reconciliation Process to Pass Greater Tax Cuts for Billionaires and Corporations.

- a. Reconciliation is a complex budget procedure that allows the Senate to pass a bill with a simple majority. Under normal circumstances, a bill would be subject to a 60 vote threshold and filibuster rules. More on Reconciliation from the Progressive Caucus Center.
- b. In early Spring, 2025, House and Senate committees are drafting budget language to align their proposals and decide which programs to cut. Ultimately the budget resolutions that pass will be instructions for reconciliation. Funding for Medicaid, SNAP, Education and other life sustaining programs are on the chopping block to free up money for tax cuts to billionaires.

Remember - these essential program cuts are being proposed to ensure that billionaires get even bigger tax breaks.



Actions

- **a. Lobby Your Congressmembers** we're reaching out to Network leaders in every state to make our voices heard about the impact that the proposed tax laws will have on our lives. Put your member of Congress on speed dial and **call every day** let them know that these cuts will devastate us.
- **b. Coordinate with state coalitions** that are working to mitigate the impact of federal tax cuts by passing state revenue laws so that millionaires pay their fair share in your state.
- **c. Organize events, town halls, rallies** in your state to remind GOP leaders that they will be held accountable for their actions; remind some Democrats that these are NOT middle class tax cuts.
- **d. Work with national tax and care groups** to push as hard as possible because the laws they are trying to pass will undermine our social safety net, deplete our federal resources and increase the deficit for generations to come.
- e. Talk with friends, neighbors, and coalition partners. These tax cuts will impact Medicare, Nutrition Programs, Childcare, Education, Climate Change Funding and so much more. Everyone must know the impact.
- **f. Share stories from friends**, relatives and others that have been harmed by these tax heists. Lift up stories about the impact on care, caregivers, children and the elderly.

Every dollar that went to the 1% could have made life more affordable for everybody else.

Senate Committee on Finance

Medicaid Cuts Will Harm Kids

Americans for Tax Fairness

https://americansfortaxfairness.org/billionaires-2-2-trillion-richer-since-2017-trump-gop-tax-law/

Justice in Aging

https://justiceinaging.org/how-medicaid-funding-caps-would-harm-older-adults/

How Some Members of Congress benefit from our Broken Tax System

https://americansfortaxfairness.org/gop-tax-committee-members-worth-15m-average-top-members-get-million-dollar-tax-cuts/

Bloomberg News Will Trump and Congress Extend the TCJA?

Center Bipartisan Public Policy

https://www.cbpp.org/research/federal-tax/the-2017-trump-tax-law-was-skewed-to-the-rich-expensive-and-failed-to-deliver

