

REPUBLICAN TAX AGENDA: Millionaires over the Middle Class

Middle Class to Take One-Two Punch under GOP Plan

Holding the Middle Class Hostage to Tax Cuts for Very Wealthiest

Instead of doing what we all agree on – extending the middle class tax cut – Republicans are holding the middle class tax cuts hostage to huge tax breaks for the very wealthiest Americans and proposing to actually raise taxes on 25 million lower- and middle-income families.

- **Holding middle class tax cuts hostage to breaks for the wealthy:** The average millionaire would reap a \$160,000 tax cut in 2013 alone under the full GOP plan, versus \$2,200 for the typical middle-income family of four. Source: [National Economic Council](#).
- **Blowing bigger hole in the deficit:** Extending tax breaks to the very wealthy would add an additional \$50 billion to the deficit in 2013 alone.
- **Raising taxes on 25 million lower- and middle-income Americans:** GOP plan would hike taxes by average \$1,000 on 25 million working families by reducing eligibility for Earned Income Tax Credit and Child Tax Credit and ending the American Opportunity Tax Credit. Source: [National Economic Council](#).

Radical Rewrite of Tax Code Forced through Fast Track Process

The process outlined by Republicans would railroad through Congress a radical rewrite of the tax code that would lead to huge additional tax cuts for the very wealthy and hundreds of thousands of jobs being shipped overseas.

- **Doubling down on Bush tax cuts for the wealthy, hiking taxes on middle class:** The average millionaire would lock in an annual \$331,000 tax cut under the Republican “tax reform” fast track plan, while those earning less than \$200,000 would see their taxes rise by \$4,500. The plan would reduce rates to 25 percent and 10 percent and require eliminating or vastly curtailing tax provisions that widely benefit the middle class, such as the mortgage interest deduction, health care exclusion and education credits. Source: [Joint Economic Committee](#).
- **Encouraging companies to send jobs overseas:** 800,000 jobs would be added overseas as a result of shifting to a territorial system that eliminates taxes on companies’ foreign earnings. Source: [Tax Notes](#).
- **Repealing provisions that encourage investment, hiring and innovation in the United States** and still not achieve a 25% corporate tax rate: Republican plan would require eliminating every corporate deduction, including credits and deductions vital to encouraging domestic job creation, and more, raising questions about whether they will ask individuals or small businesses to make up the difference. Source: [Joint Committee on Taxation](#).