

How Project 2025's Economic Policies Hurt Families

Project 2025 is a radical plan that details how a Republican administration would undercut the U.S. economy by hiking taxes on middle-class families, dismantling worker protections, and reversing federal investments that are keeping the U.S. economy strong. This Republican plan would concentrate power, make life harder for working people, and give handouts to wealthy corporations.

Project 2025 would raise taxes on the working class and provide corporate welfare for the rich by:

- Shifting taxes from the wealthy to the middle-class by moving to just two income tax rates: a 15% tax rate for people earning up to about \$168,000 and a 30% tax rate for people earning above that (see [page 696](#)). This would force many middle-class families to pay thousands of dollars more in tax payments. It would also take away “most deductions, credits, and exclusions” (see [page 696](#)), and does not specify that it would keep provisions like the Earned Income Tax Credit (EITC) or the Child Tax Credit (CTC) that overwhelmingly benefit low- and middle-class families.
 - Together, these changes to tax rates would mean that a family of four earning \$90,000 per year would have paid roughly \$2,300 more in taxes last year. If the Child Tax Credit was also eliminated, this family would have paid roughly \$6,300 more. Meanwhile, millionaires would pay a lower top tax rate.
 - Losing the [EITC](#) would mean 23 million taxpayers lose out on a key source of income.
- Lowering the corporate tax rate to 18% from its current rate of 21% (see [page 696](#)), which would provide more handouts to the ultrawealthy. The last time Republicans cut the corporate tax rate from 35% to 21% in 2017, it added [\\$1.3 trillion](#) to the deficit over a decade while [most](#) of the benefits went to shareholders, high earners, and executives. This additional cut would likely add billions more.
- Creating a consumption tax such as a national sales tax (see [page 698](#)), which would force working families to pay more at the grocery store, gas pump, and any other place they buy goods or services. Past Republican proposals for a national sales tax would have [hiked](#) the cost of essentials like groceries and housing—usually exempt from state and local sales taxes—by 30%.

Project 2025 would strip workers of pay and protections by:

- Making fewer workers eligible for time-and-a-half overtime pay (see [page 592](#)). The plan lowers the threshold for overtime eligibility, which would undo the Biden-Harris administration’s change that will [help](#) at least 4.3 million Americans earn over \$1.5 billion

in overtime pay. Other changes would allow employers to withhold overtime pay if an employee worked 60 hours one week but only 20 hours the next week.

- Allowing children to work in [hazardous](#) occupations such as [factories](#), [meatpacking](#) plants, and [sawmills](#) (see bottom of [page 595](#)) and weakening child labor protections at a time when child labor [violations](#) are on the [rise](#). Instead of investing in evidence-backed [apprenticeship](#) programs that prepare young people for careers of the future, Republicans would make it more likely that kids end up in risky jobs where they could face injury or even death.
- Gutting National Labor Relations Board [enforcement](#) and helping anti-union employers undermine unionization efforts (see [page 599](#)). Just as workers are winning more NLRB-overseen union elections than at any point in the past 15 years, Republicans want to make it easier for businesses to undermine unionization efforts and even illegally fire workers.
- Limiting which health conditions qualify veterans for disability benefits (see [page 650](#)). In 2023, 5.3 million veterans, or 30% of all veterans, had a service-connected [disability](#), and disability benefits are a critical lifeline for many of these veterans.

Project 2025 would undercut economic security by:

- Rescinding and repealing Democrats' investments in infrastructure and clean energy (see [page 365](#)) that have helped manufacturing construction investment [triple](#) since January 2021, creating blue-collar careers that enable working people to support their families.
- Abolishing the Consumer Financial Protection Bureau (see [page 839](#)), which stops predatory lenders and banks from defrauding the American people and has [delivered](#) \$19 billion in consumer relief for Americans.
- Forcing the Federal Reserve to give up its focus on [full employment](#) (see [page 740](#)), which is important for workers ability' to change jobs or bargain for better pay and benefits. This would undermine the type of strong labor market that has produced [nearly](#) 16 million new jobs and rising wages since the start of the Biden-Harris administration.

In addition, Project 2025 would [eliminate](#) checks and balances on the president—giving them complete immunity to make business deals that enrich themselves and their favorite CEOs. Project 2025 lays out a bleak vision for America where the president would have unchecked power to raise taxes on middle-class families, and cheat workers out of their pay. The plan is also an assault on people's reproductive rights, the rule of law, and a host of other core American freedoms.