

JOINT ECONOMIC COMMITTEE DEMOCRATS

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U.S. Senator Martin Heinrich • Ranking Member

Republicans Push Tax Hike on Millions of Working Families

President Trump and Congressional Republicans continue to claim that their tax plan will help the middle class. Yet, the Republican tax framework will increase taxes for almost 8 million working families next year.¹

If enacted, the Republican tax reform proposal would saddle 8 million households that earn up to \$86,100 with an average tax *increase* of \$794—a substantial expense for working families.² Last year, 44 percent of adults reported that they would be either unable to afford an unexpected expense of \$400 or would have to sell their possessions or borrow money to make ends meet.³ A tax increase nearly double that would be devastating for cash-strapped families.

Raising taxes on working Americans while giving those in the top 1 percent an average tax cut of nearly \$130,000 does not strengthen our economy or represent American values.⁴ In New Mexico, \$794 could pay for 10 months of electric bills. In Ohio, it could cover over 2 months of health care premiums, and in Mississippi it could pay for over 2 months of child care costs.⁵

¹ JEC Democratic Staff analysis based on data from the Tax Policy Center, Internal Revenue Service, Child Care Aware, Energy Information Administration, and Kaiser Family Foundation.

² JEC Democratic Staff analysis based on data from the Tax Policy Center, Internal Revenue Service, Child Care Aware, Energy Information Administration, and Kaiser Family Foundation.

³ <u>https://www.federalreserve.gov/publications/files/2016-report-economic-well-being-us-households-201705.pdf</u>
⁴ <u>http://www.taxpolicycenter.org/model-estimates/unified-framework-september-2017/t17-0225-unified-framework-distribution-federal-tax</u>

⁵ JEC Democratic Staff analysis based on data from the Tax Policy Center, Internal Revenue Service, Child Care Aware, Energy Information Administration, and Kaiser Family Foundation. Child care is for a four-year-old in center-based care. Health care premiums are for employer-sponsored insurance.

	That \$794 could be used to pay for months of			
State	Child Care	Electric Bills	Health Care Premiums	
Alabama	2.0	5.6	2.0	
Alaska	0.9	6.6	2.0	
Arizona	1.2	6.4	1.8	
Arkansas	1.9	7.2	1.9	
California	1.0	8.4	2.0	
Colorado	0.9	9.5	2.0	
Connecticut	0.8	5.2	1.8	
Delaware	1.1	6.1	1.8	
District of Columbia	0.5	7.3	1.7	
Florida	1.4	6.0	1.5	
Georgia	1.4	6.1	1.7	
Hawaii	0.8	5.2	2.2	
Idaho	1.5	8.4	1.8	
Illinois	1.0	8.8	1.9	
Indiana	1.4	7.1	2.3	
lowa	1.1	8.1	2.2	
Kansas	1.1	7.2	2.0	
Kentucky	1.4	6.9	2.0	
Louisiana	1.9	6.6	1.6	
Maine	1.1	9.1	2.0	
Maryland	0.9	5.7	1.7	
Massachusetts	0.7	6.7	1.9	
Michigan	1.2	8.5	2.8	
Minnesota	0.8	8.6	2.0	
Mississippi	2.1	5.8	1.8	
Missouri	1.5	6.9	1.6	
Montana	1.1	8.9	1.7	
Nebraska	1.2	7.8	2.0	
Nevada	1.1	6.8	1.9	
New Hampshire	0.9	6.9	1.9	
New Jersey	1.0	7.2	1.6	
New Mexico	1.4	10.0	1.7	
New York	0.8	7.1	2.0	
North Carolina	1.2	6.3	2.0	
North Dakota	1.2	7.6	2.1	
Ohio	1.3	7.1	2.4	
Oklahoma	1.8	7.2	1.9	
Oregon	1.0	8.2	2.3	
Pennsylvania	1.0	6.8	2.3	
Rhode Island	0.9	6.9	1.9	
South Carolina	2.0	5.5	1.9	
South Dakota	1.6	7.3	1.9	
Tennessee	1.3	6.2	2.0	
Texas	1.5	5.8	1.7	
Utah	1.2	9.8	2.4	
Vermont	0.9	8.3	2.4	
Virginia	1.0	6.1	1.6	
Washington	1.0	9.1	1.0	
West Virginia	1.3	7.1	2.3	
Wisconsin	1.0	8.4	2.5	
Wyoming	1.2	8.7	1.9	
vvyonning	1.2	0.7	1.9	

Republicans Will Increase Taxes for 7.7 Million Working Families by \$794 on Average That \$794 could be used to pay for months of...

Sources: JEC Democratic Staff analysis based on data from the Tax Policy Center, Child Care Aware, Energy Information Administration, and Kaiser Family Foundation

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