

## TAX REFORM FOR MIDDLE-CLASS AMERICANS

*Our unified Republican framework for tax reform will provide more jobs, fairer taxes, and bigger paychecks for middle-class Americans throughout the nation:*

### MORE JOBS

**Unleashes job creation with the lowest rates in modern history** for American businesses of all sizes – 20% for corporations, no more than 25% for small businesses.

**Stimulates business investment and grows paychecks** by allowing businesses to fully write off purchases of new equipment needed to produce and compete at a higher level.

### FAIRER TAXES

**Delivers a tax code so fair and straightforward** that 9 out of 10 Americans will be able to file on a form as simple as a postcard.

**Ends wasteful tax breaks and loopholes** to focus tax relief on middle-class Americans instead of Washington special interests.

### BIGGER PAYCHECKS

**Delivers a simpler, flatter tax code with lower individual rates** so families can keep more of their hard-earned income to spend, save, and invest in our local economies.

**Doubles the standard deduction** to protect more of Americans' paychecks from taxes.

**Moves America to a modern tax system** that encourages our global businesses to bring home profits earned abroad to invest in growing jobs and paychecks in our communities.

## CHARGE AND RESPONSE

### This is just a tax cut for wealthy Americans.

- **No. Our framework is focused on delivering relief to middle-class Americans** – and those who want to join the middle-class. We lower middle-class tax rates and we double the standard deduction, which reduces the tax burden on millions of hardworking Americans.
- And by also **lowering tax rates on businesses of all sizes**, middle-class Americans will enjoy more jobs, fairer taxes, and bigger paychecks.

### With the change in tax brackets, it looks like you are raising taxes on low-income Americans.

- **No. We're significantly lowering taxes for low- and middle-income Americans.**
- **The framework DOUBLES the standard deduction**, which means low- and middle-income Americans will see twice the amount of their paychecks protected from taxes. More of their income – \$12,000 for single filers and \$24,000 for married couples – will be in the “zero tax bracket.”
- **We also protect tax benefits that help these families** with the cost of raising children, buying a home, and sending their kids to college.

### Your framework is fiscally irresponsible and will explode the deficit.

- **Our goal is to make tax reform as permanent as possible** so businesses can plan for the future and make longterm investments in our economy.
- To deliver that permanence, **we're committed to tax reform that balances within the budget**, accurately accounting for the revenue generated by a strong and growing American economy.

### This framework just benefits big business and large corporations.

- **No. This framework is committed to delivering tax relief to middle-class Americans.**
- We also **drastically lower tax rates for Main Street job creators** from more than 40% to 25% - and that will help create jobs in every community across our country.

### With a significantly larger standard deduction, the vast majority of Americans will no longer itemize deductions on their tax returns. That will effectively get rid of the charitable deduction and mortgage interest deduction, which will discourage charitable giving and homeownership.

- **No. Our unified framework clearly says we are protecting tax benefits for charitable giving and mortgage interest.**
- And by promoting a stronger American economy – which is by far the biggest driver of charitable giving and a strong housing market – our proposal will grow Americans' paychecks, helping them buy a home and give back to the community.

### Your lower tax rate for pass-through businesses will be a massive loophole the wealthy can use to avoid paying their fair share of taxes.

- **No. This new, lower rate for Main Street job creators** is key to delivering more jobs, fairer taxes, and bigger paychecks.
- As tax reform moves forward, Republicans will develop strong measures to make sure this much-needed tax relief goes to the local job creators it is designed to help.

### Repealing the Death Tax is just a massive giveaway for the super wealthy.

- **No. The Death Tax impacts small businesses and farms throughout the nation** owned by people who have worked their entire life to build a successful company and create jobs.
- These families should not have to fear **double or even triple taxation** from Washington when they pass down their life's work to the next generation.
- The Death Tax can be a significant reason that family-owned businesses and farms do not get passed down to the next generation. It's time to permanently repeal it.

### You are excluding Democrats from this process.

- **We welcome Democrat involvement** – after all, Americans in every district need more jobs and larger paychecks.
- We will certainly work with members on both sides of the aisle who are serious about delivering pro-growth tax reform that helps hardworking middle-class Americans.

### Your framework doesn't mention the deduction for state and local taxes. Eliminating that tax relief will hurt millions of American families.

- Republicans are currently filling in many policy details when it comes to itemized deductions, but our framework is clear – **we're dedicated to helping middle-class families.**
- That's why **we're lowering middle-class tax rates, doubling the standard deduction, and preserving tax benefits to help families** buy a home, raise children, and send their kids to college.
- Americans are sick of the maze of special provisions that benefit some people at the expense of everyone else. **It's time to make this tax code simpler and fairer** so middle-class families can keep more of their paychecks to spend, save, and invest as they see fit.

### Mailing in your taxes on a postcard can't be secure.

- **Our framework will deliver bold tax reform** where the form is "as simple as" a postcard.
- Under our new, simplified tax system, Americans will always have a secure way to file their taxes.