AMERICANS FOR TaxFairness

CBO: EXTENDING TRUMP TAX CUTS WILL COST NEARLY $5 TRILLION

New estimates from the Congressional Budget Office (CBO) put a price tag of nearly $5 trillion on extending all the Trump-GOP tax law, which is mostly scheduled to expire at the end of 2025. That is more than double what the law originally cost when it was enacted in 2017. The Trump GOP tax law was an expensive failure that did little to boost workers wages, create jobs, or increase economic growth. Instead, it mostly funneled sorely needed revenue to the ultra-wealthy and foreign investors, while exacerbating wealth inequality.

Doubling down on these reckless Trump tax policies would be a grave mistake. Congress should allow provisions benefiting corporations and individuals with annual income over $400,000 to expire, raise taxes on the rich and corporations and use the revenue saved to invest in working families.

TRUMP TAX CUTS EXTENSION REVENUE SCORES	1st-Year Cost	10-Year Cost (2025-2034)
INDIVIDUAL PROVISIONS		
Reduced Income Tax Brackets	-$144 billion	-$2.16 trillion
Increased AMT Exemptions	-$41 billion	-$1.36 trillion
20% Pass-through Business Loophole	-$40 billion	-$684 billion
Increased Child Tax Credit (including SSN restrictions)	-$41 billion	-$735 billion
Doubled Estate Tax Exemption	-$3 billion	-$167 billion
Opportunity Zone Program	-$4 billon	-$70 billion
Itemized Deductions Modifications (including Mortgage Interest & SALT)	+$75 billion	+$1.24 trillion
Replace the Personal Exemption with a Larger Standard Deduction	+$46 billion	+$466 billion
Passthrough Loss Limitation	$0 billion	+$22 billion
Repealed Moving Expense Deduction & Reimbursement	+$1 billion	+$17 billion
Individual Subtotal	**-$150 billion**	**-$3.42 trillion**
CORPORATE PROVISIONS		
100% Bonus Depreciation	-$48 billion	-$378 billion
Research & Experimentation Expensing Rule*	*-$30 billion*	*-$277 billion*
Interest Expense Limitation Rule**	*-$5 billion*	*-$53 billion*
Foreign-Derived Intangible Income Deduction Rate	-$7 billion	-$120 billion
Base Erosion & Anti-Abuse Tax Rate	-$1 billion	-$21 billion
Corporate Meal Deduction Rule	-$3 billion	-$31 billion
Corporate Subtotal	**-$94 billion**	**-$880 billion**
TOTAL REVENUE IMPACT	**-$244 billion**	**-$4.3 trillion**
Additional Debt Service Cost	-$7 billion	-$605 billion
TOTAL DEFICIT IMPACT	**-$251 billion**	**-$4.9 trillion**

Sources: CBO (for most provisions), *JCT(R&E provision), **CRFB (Interest provision)

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