

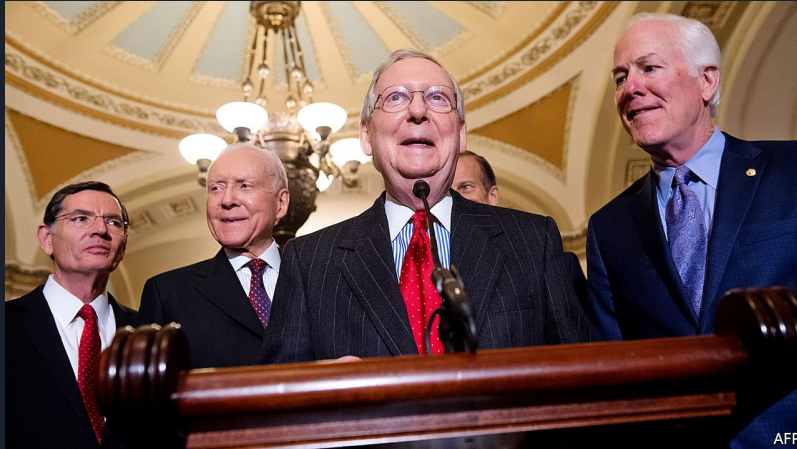
Republican Tax Bill

Sorry Poor People



The Proposed Tax Bill(s)

- Separate but similar bills have passed in the senate and the house
- The republican tax bill has been criticized for favoring the wealthy
 - Senate and House bills lower corporate tax rate from current 35% to 20%
 - Considering lowering top individual tax rate from 39.6% to 37%





Potential Impacts

- Would likely add just under \$1.5 trillion to the national debt over the next decade
- Many democrats believe the bill “hurts the middle class, benefits the rich and creates a raft of new loopholes that corporations and wealthy Americans can exploit.”
- Bills focus on reducing taxes under the assumption that it will stimulate the economy and reduce unnecessary burdens on businesses and wealthy individuals
 - The tax bill will pay for itself only if economic growth averages 2.9% over the next decade
- Republican leaders hope to hold a vote next week on an agreed upon single bill

Who actually benefits from the proposed tax plan

Estimated tax cuts by expanded cash income percentile in 2027

INCOME GROUP	AVG. TAX CUT	AVG. CHANGE IN AFTER-TAX INCOME
Lowest fifth	-\$50	+0.2%
Second fifth	-\$230	+0.5%
Middle fifth	-\$420	+0.5%
Fourth fifth	-\$450	+0.4%
Highest fifth	-\$10,610	+3.0%
Top 1 percent	-\$207,060	+8.7%
Top 0.1 percent	-\$1,022,120	+9.7%

Source: Tax Policy Center

REUBEN FISCHER-BAUM/THE WASHINGTON POST



Small Group Question #1

How is this bill designed to keep the upper class in power?



Small Group Question #2

Are there any benefits to this bill for anyone other than the Upper Class?



Whole Class Discussion Question

How will this bill affect the middle and lower classes ability to fulfill their “American Dream”?



Citation

Rappeport, Alan, and Thomas Kaplan. "Republicans Nearing Agreement on Final Tax Bill." The New York Times, The New York Times, 12 Dec. 2017, www.nytimes.com/2017/12/12/us/politics/republicans-tax-bill-deal.html.