

Crapo Statement at Hearing on the President's FY 2026 Budget

June 12, 2025

Washington, D.C.--U.S. Senate Finance Committee Chairman Mike Crapo (R-Idaho) delivered the following remarks at a hearing on President Trump's fiscal year (FY) 2026 budget for the U.S. Department of the Treasury with Secretary Scott Bessent.

As prepared for delivery:

"Thank you, Secretary Bessent, for appearing before the Committee today, particularly since you are coming directly from critical trade negotiations with China.

"You and Ambassador Greer made progress, which we may learn more during today's hearing. I strongly support this engagement and the President's policy to press China to open up to American trade.

"Nevertheless, the primary purpose for today's hearing is to discuss equally critical issues: the President's Budget for Fiscal Year 2026, as well as ongoing tax reform efforts.

"The President's budget and economic agenda aim to put our country back on track by cutting wasteful government spending while unleashing economic growth, simultaneously boosting jobs, wages and government revenue.

"The Administration has made significant progress in reducing spending by streamlining processes and improving efficiencies across agencies, including the Internal Revenue Service (IRS).

"While some warned fiscal prudence at the IRS would harm tax collection, the opposite has proven true.

"Individual income and payroll tax receipts came in \$120 billion higher this year, in line with Congressional Budget Office (CBO) projections.

"These numbers are further evidence Washington does not have a revenue problem, it has a spending problem.

"A critical part of the President's agenda, and my top priority as Finance Committee Chairman, is to permanently extend the successful 2017 Trump tax cuts and prevent a more-than \$4 trillion tax hike on American families and workers.

"The 2017 Trump tax cuts increased investment, boosted economic growth and allowed taxpayers to keep more of their hard-earned money.

"Far from a handout to the wealthy, the reforms lowered tax rates for Americans of all income levels and middle-class families reaped the largest proportional benefits.

"If these tax cuts expire, all Americans will be hit with the largest tax hike in U.S. history. The majority of the increase will fall on those making less than \$400,000 per year.

"The average family will see a \$1,700 tax increase. Small business owners will lose both their lower rates and the small business deduction, facing rates up to 43 percent.

"Millions of families will see their child tax credit and death tax exemptions cut in half.

"Republicans are committed to preventing this tax hike and making the 2017 Trump tax cuts permanent, while delivering additional relief to middle-class families.

"The House passage of 'One Big Beautiful Bill' was a significant achievement, and we are capitalizing on that momentum to deliver a bill to the President's desk as quickly as possible.

"The legislation recognizes that extending proven tax reform is critical for working families.

"The bill also recognizes the solution to our debt crisis is not to tax Americans more, it is to spend less.

"Tax revenues surpassed estimates this filing season, and tax revenue as a percent of GDP has remained consistent over the last 50 years at about 17 percent. Simply extending existing tax policy will not increase the deficit.

"Republicans are undertaking significant spending reductions and have targeted more than \$1.5 trillion in savings—the single largest reduction in mandatory spending in history.

"These reforms target waste, fraud and abuse that proliferated in our spending programs during the pandemic and under the Biden Administration.

"I understand some of my colleagues are now raising process concerns that they did not adhere to during the American Rescue Plan Act in 2021 or the Manchin-Schumer deal, that became the Inflation Reduction Act, in 2022.

"However, Congress must act quickly to prevent an over-\$4 trillion tax hike on virtually all Americans, the largest in U.S. history.

"Moreover, Senate Republicans are committed to providing families and businesses the certainty they need to invest and plan for the future, as well as provide additional middle-class tax relief, and take steps to lower the deficit with serious spending reforms.

"This is the best approach to restore economic prosperity and opportunity for all Americans.

“Thank you again Secretary Bessent for being here today and I look forward to our discussion.”