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**Wyden Statement at Finance Committee Hearing on the Trump Tax Plan and Fiscal Year 2018  
Budget**  
*As Prepared for Delivery*

What the American people demand of us is bipartisan cooperation on taxes, health care, and the many other issues that affect their daily lives. Yet what the new administration has offered is a one-page tax cut proposal that's shorter than the typical drug store receipt and a budget that looks like it was written by people who believe working families and seniors have it too easy.

The tax one-pager puts forward numbers that don't come close to adding up. The math behind this tax plan would make Bernie Madoff blush. So without realistic tax numbers to analyze, I want to focus my remarks on two specific points.

First, the administration's economic team says the president's focus is a middle-class tax cut. If this plan was built for a middle-class tax cut, then Trump Tower was built for middle-class housing.

On one side of the ledger, there's not much detail on how the Trump tax plan would help working families or the middle class. Just vague, open-ended promises.

Contrast that with how it treats the very fortunate, very few. Eliminating the estate tax and opening a new, mile-wide loophole for the wealthy to exploit passthrough status is a prescription for more inequality in America.

Right here in this room, Mr. Mnuchin and I agreed on the now-legendary Mnuchin Rule of "no absolute tax cut for the rich." But after what we've seen in the tax plan and the budget, we'll throw that in the dustbin alongside the Trump promise not to cut Medicare, Medicaid and Social Security.

Now to the second point -- the Trump economic team is dusting off the old, disproven idea that tax cuts pay for themselves. There's not a reputable economist out there who will tell you that. But you don't have to take my word for it, you can look back at history.

Just in the last few years, Kansas slashed rates for the wealthy and businesses, zeroing them out in some cases. They sold the plan by saying it would launch the state's economy into the stratosphere. Instead, its revenues have cratered. Kansas is struggling to keep its schools open and basic services running.

Go back a little further to the early 2000s and the Bush tax cuts. Those tax cuts didn't pay for themselves either.

Look back to Ronald Reagan – that noted tax-and-spend liberal. He passed a big, regressive tax cut in 1981. But lo and behold, in 1982 and '84, he had to raise new revenue to make up for the deficits that were caused.

Bottom line, the pay-for-itself argument behind this tax plan holds up about as well as the flat-Earth theory, except people still try to defend it.

The only way to pass lasting, job-creating tax reform that's more than an economic sugar-high is for it to be bipartisan. Tax reform is not a haphazard exercise, throwing together a set of bullet points in the wake of a critical op-ed written by campaign advisors. It takes a lot of careful consideration to write a bipartisan tax reform bill, and I know because I've written two of them.

The focus ought to be on writing an economically-responsible proposal that will create good-paying, red-white-and blue jobs without heaping a new burden on the middle class. That's the kind of reform that will win the support of both sides and will last. Thank you, Chairman Hatch.

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