

EMBARGOED UNTIL DELIVERY

Statement of Secretary Scott K. H. Bessent
United States Department of the Treasury
Before the Finance Committee
United States Senate
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Chairman Crapo, Ranking Member Wyden, and members of the committee, thank you for convening today's hearing. I'm grateful for this opportunity to discuss President Trump's 2027 Budget, which builds on this Administration's progress in unleashing a new era of economic expansion.

I last appeared before this Committee just a few weeks before the Senate passed the Working Families Tax Cuts. So, on the heels of the most successful filing season in IRS history, I'd be remiss if I did not begin by thanking the Committee for helping to deliver this once-in-a-generation bill to the President's desk.

This Tax Day, under President Trump, we celebrated how much more money hardworking Americans kept, not how much the government took. Over 62 million tax returns claimed at least one of President Trump's signature new tax cuts—No Tax on Tips, No Tax on Overtime, no tax on American car loan interest, and an enhanced deduction for low- and middle-income seniors. All told, the average refund increased by over 11 percent, with total refunds increasing by 18 percent.

But as important as what this legislation achieved—is what it prevented. If opponents of the Working Families Tax Cuts had their way, our economy would have absorbed the largest tax hike in its history—over \$5 trillion. 90 percent of American taxpayers would have seen their standard deduction slashed, while 40 million families would have seen their child tax credit halved. Instead, this Committee held the line, and the American people had a better Tax Day because of it.

Notably, President Trump's pro-growth policies don't stop at putting more money back in the pockets of working- and middle-class families—they extend to placing the American Dream within closer reach of their children. For context, nearly 40 percent of Americans have no exposure to U.S. equities. No stake in the companies they help to build; little share in the wealth they help to create. Trump Accounts represent a profound reimagining of that arrangement. They will ensure that every American child can benefit from private ownership and compound growth; that every American baby, in short, is born a shareholder. To date, nearly 6 million Trump Accounts have been opened, with 1.4 million eligible for the \$1,000 seed contribution.

Of course, as his tax cuts deliver relief for working-class Americans, President Trump's economic agenda is bolstered by two other distinct but reinforcing levers: trade and deregulation. Let me briefly address both in turn.

First, the President is undeterred in his determination to open markets for U.S. goods and services while rebuilding U.S. manufacturing capacity. Over the 12-months ending March 2026, the trade deficit for goods declined by \$369.8 billion compared to the same timeframe ending

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March 2025. The economy has added 313,000 net new private sector jobs and 13,000 manufacturing jobs in the past two months. Firm capital expenditures rose at an annual rate of over 17 percent in the first quarter. And companies are investing trillions to build and expand here at home. American industry is winning again to the benefit of American workers.

A whole-of-government approach, meanwhile, is coupling our manufacturing revival with a great regulatory reset. Properly calibrated regulation is essential for economic growth, capital formation, employment, and higher wages. So, at the outset of this Administration, President Trump set the ambitious benchmark of slashing ten existing regulations before issuing a single new one. In 2025, we shattered that goal with a ratio of 129-to-1. And as a result, deregulatory actions generated more savings last year than in those of the prior Trump Administration combined.

Separately, any one of our initiatives on tariffs, tax cuts, and deregulation would be substantial. Taken together, they are transformative. Before President Trump took office, our trading partners exploited America's markets, our regulatory state smothered businesses, and our tax code was poised to punish workers and job creators. Today, his policies are driving lower taxes, bigger paychecks, and broader prosperity. So, I thank this Committee for its partnership in this critical work, and I look forward to building upon our strides through the President's Budget for the year ahead. Thank you.

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