

Embargoed until Delivery

**Statement of Secretary Scott K. H. Bessent
United States Department of the Treasury
Before the Finance Committee
United States Senate
June 12, 2025**

Chairman Crapo, Ranking Member Wyden, and members of the committee—I'm grateful to join you today. Treasury is committed to working with Congress to improve our nation's finances, create new jobs, and strengthen the economy. We look forward to coordinating with you on the President's Budget and his tax priorities in the coming weeks.

As part of this effort, I wish to highlight today the Treasury Department's efforts to advance President Trump's economic agenda on tax and trade.

First, tax.

I am pleased to report that Treasury has just completed its most successful tax filing season in years—and we did so while improving efficiencies and cutting costs at the IRS.

Critics of the President's efforts to modernize the IRS warned that the effort would result in a 10% shortfall in receipts.¹ Instead, the opposite happened. April receipts this year were up 9.5% over the previous year. And receipts in May were up 14.7% over the previous year. Most remarkably, the President was able to achieve these results while reducing \$2 billion in waste and planned IT spending at the IRS.

This success has taken place against the backdrop of one of the most consequential tax proposals ever to come before Congress: the One Big Beautiful Bill Act. The One Big Beautiful Bill will make the 2017 tax cuts permanent. This will provide individuals and businesses with certainty and build economic momentum. The legislation is squarely aimed at boosting the working and middle class and reinvigorating American manufacturing.

According to the Council of Economic Advisers, the One Big Beautiful Bill will raise take-home pay between \$7,800 and \$13,300 for the average family of four. It will increase wages between \$6,100 to \$11,600 for the average worker. And it will cement no tax on tips, no tax on overtime, and tax cuts for seniors.²

The One Big Beautiful Bill will also incentivize unprecedented investment in US manufacturing. The legislation will provide 100% expensing for new factories, as well as existing factories that expand operations and support Made-in-America. And it will streamline burdensome permitting processes that often stand in the way of new manufacturing projects. It's time for this country to start building things again—and the One Big Beautiful Bill makes this possible.

¹ Fox, Michelle, CNBC, *Tax Revenue Collected by the IRS Set to Plummet, Report Says* (Mar. 24, 2025), <https://www.cnbc.com/2025/03/24/tax-revenue-collected-by-the-irs-set-to-plummet-report-says.html>.

² The Council of Economic Advisers, *Preserving and Expanding Low Tax Rates to Create American Economic Prosperity* (May 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/03/Preserving-and-Expanding-Low-Tax-Rates-to-Create-American-Economic-Prosperity.pdf>.

Embargoed until Delivery

The administration is grateful for the House's efforts to advance the One Big Beautiful Bill. We now look forward to working closely with this committee and other members of the Senate to get this legislation to the President's desk.

Trade is the second topic I wish to highlight.

The progress we have made on tax issues over the last four months complements the significant progress we have made in rebalancing the global economy.

Since I last testified before Congress in May, the President announced the historic US-UK trade deal. This arrangement—which creates a \$5 billion export opportunity for American ranchers, farmers, and manufacturers—is a preview of what's to come. Dozens of countries have engaged the administration thus far with offers to improve their trade relations with the United States. This includes China.

China has a singular opportunity to stabilize its economy by shifting away from excess production towards greater consumption. But the country needs to be a reliable partner in trade negotiations. If China will course-correct by upholding its end of the initial trade agreement we outlined in Geneva last month, then a big, beautiful rebalancing of the world's two largest economies is possible.

By challenging the decades-old status quo on tax and trade, President Trump is breathing new life into the American economy. More than 500,000 private-sector payroll jobs have been added since January. Most importantly, inflation in the U.S. is at its slowest pace since 2021 on decelerating cost increases for shelter, food, and energy. After four years of price increases diminishing the U.S. standard of living, inflation is showing substantial improvement due to the administration's policies. Furthermore, the labor market remains strong with low unemployment and plentiful labor demand as job openings remain high. This strength has been exemplified in the recent performance of the stock market and consumer confidence data.

The President's bold leadership on these issues has laid the foundation for a Golden Age economy. With your help, we can build on that foundation to create even greater prosperity and abundance for the American people. We hope you will join us in this endeavor.

Thank you.

###