

A TOWNHALL TEACH-IN ON **ECONOMIC INEQUALITY**

HOSTED BY CONGRESSMAN JIM CLYBURN

MONDAY, JANUARY 15, 2018

3:00 PM ■ PARK UNION HALL ■ 719 MAGNOLIA STREET ■ HAMPTON, SC

6:00 PM ■ DENMARK TECHNICAL COLLEGE ■ 1126 SOLOMON BLATT BLVD ■ DENMARK, SC

*“Now our struggle
is for
genuine equality,
which means
economic equality.”*

*Dr. Martin Luther King, Jr.
- March 18, 1968*



Dr. Martin Luther King, Jr. at Charleston County Hall, July 31, 1967. Seated and standing behind him are Ms. Angie Frasier, Jim Clyburn, Herbert Fielding, Judge Danny Martin, Bishop Z. L. Grady, and Esau Jenkins.

THE REPUBLICAN TAX CUT CREATES

A FEW WEALTHY WINNERS & MANY MIDDLE INCOME LOSERS. IT IS

- A **DANGER** to American jobs
- **UNFAIR** to working families
- An **ATTACK** on Americans' health



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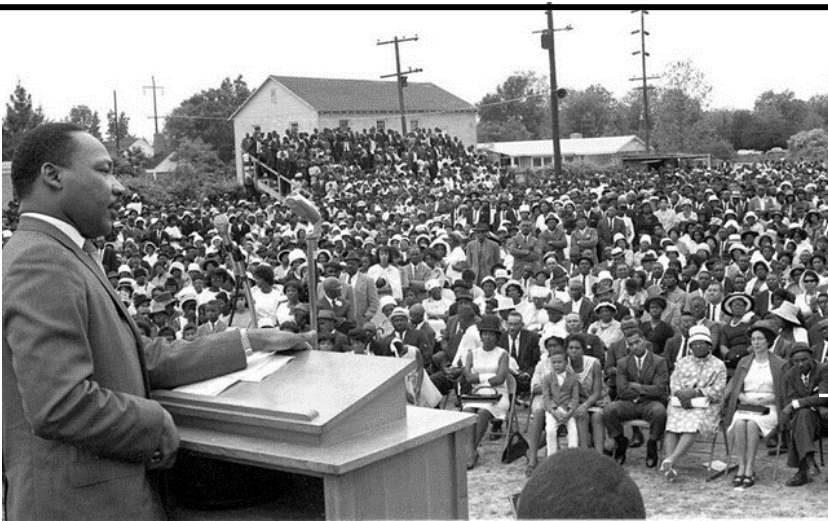


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Dr. Martin Luther King, Jr. delivering his "March on Ballot Boxes" speech in Kingstree, S.C. on May 8, 1966. The historical marker on page 4 celebrating the 50th Anniversary of this event was unveiled by Jim Clyburn and others in May 2016.

"This country has socialism for the rich, rugged individualism for the poor."

Dr. Martin Luther King, Jr.
- March 10, 1968

WINNERS	&	LOSERS
<p style="text-align: center;"><u>Wealthy Families</u></p> <ul style="list-style-type: none"> • The top 1% get 83% of the benefits • New loopholes maintain preference for wealth over work • Lowers the rate for highest income earners from 39.6% to 37% <p style="text-align: center;"><u>Rich Political Donors</u></p> <ul style="list-style-type: none"> • Doubles the estate tax exemption from \$11 million to \$22 million • Special deduction of 20% for owners of so-called "pass-through" businesses <p style="text-align: center;"><u>Corporations and Big Business</u></p> <ul style="list-style-type: none"> • \$1.3 trillion in permanent tax cuts • Lowers corporate rate from 35% to 21% • Eliminates the alternative minimum tax • Returns billions to shareholders through stock buybacks and increased dividends 	<p style="font-size: 2em;">&</p>	<p style="text-align: center;"><u>Working Families</u></p> <ul style="list-style-type: none"> • Raises taxes on 86 million working families, all who earn less than \$75,000 will pay more by 2027 • Adds more than \$2 trillion to the deficit <p style="text-align: center;"><u>American Jobs</u></p> <ul style="list-style-type: none"> • New low rate (8% noncash & 15.5% cash) for corporations to return trillions stashed overseas with no wage nor job growth commitments • New low global minimum rate (10.5%) applied to a portion of foreign profits <p style="text-align: center;"><u>People on Medicare and Medicaid</u></p> <ul style="list-style-type: none"> • Kicks 13 million people off their health insurance • Raises insurance premiums by at least 10% • Republicans will use the debt they created to justify ransacking Medicare and Medicaid

A DANGER TO AMERICAN JOBS

Republicans narrowly passed and President Trump signed their so-called “Tax Cuts and Jobs Act” into law in December 2017. True to form, Republicans delivered a massive windfall to big banks, corporations and their billionaire donors on the backs of hard working Americans.

Incentivizes shipping jobs overseas

- New low rate (8% noncash & 15.5% cash) for corporations to “repatriate” or return the estimated \$2.6 trillion they’ve stockpiled overseas with no wage nor job growth commitments
- New global minimum tax perversely incentivizes offshoring factories and assembly lines
- New global calculation may encourage profit shifting to overseas tax havens

Stock buybacks for shareholders instead of better wages for workers

- Long-overdue, one-time bonuses (rather than higher wages) to workers pale in comparison to the billions being returned to shareholders
- Several corporations have already announced billions in stock buybacks and increased dividends to shareholders
- Some corporations will use windfall to increase mergers and acquisitions and invest in automation instead of U.S. job growth

Massive corporate cuts made permanent; Meager individual cuts temporary

- Massive, permanent corporate tax cut (from 35% to 21%) is the centerpiece of the new law
- Moderate, individual cuts for low and middle-income Americans fade over time, with most expiring by 2027
- In 2019, a person in the bottom 10 percent will get a \$50 tax cut while a person in the top 1 percent will get a \$34,000 tax cut

Relies on failed trickle-down economics

- According to the nonpartisan Congressional Budget Office, those earning under \$20,000 will pay more (receive fewer subsidies) in 2019
- By 2021-2025, those earning under \$40,000 will pay more, while those earning above \$40,000 pay less
- By 2027, income groups earning under \$75,000 will pay more, while those earning above \$75,000 pay less

UNFAIR TO WORKING FAMILIES

The Republican Tax Scam disproportionately benefits the wealthy and their children, by boosting the value of their stock portfolios, creating new loopholes for them to exploit and cutting taxes on their massive inheritances. The permanent corporate tax cuts further benefit the wealthy, who earn far more of their income from business and investments than working men and women.

Raises taxes on 86 million middle-class families

- According to the nonpartisan Tax Policy Center, more than half of America’s middle-class families (86 million) will see a tax increase
- Most of the individual tax cuts are temporary, but the provisions that increase taxes are permanent
- The permanent change to the inflation adjustment (chained Consumer Price Index) is a slow, silent tax increase, which will disproportionately hurt low-income Americans year after year

Leaves children & grandchildren a more than \$2 trillion bill

- Adds more than \$2 trillion to the deficit over the next ten years
- Republicans waived the law requiring that their massive corporate tax cuts be paid for
- Future taxpayers will be asked to foot the bill for this windfall to corporations today

Cuts to education, health research and the safety-net coming

- Republicans will use the debt they created to justify ransacking Medicare, Medicaid, education, health research, veterans and the federal safety net
- 72% of taxpayers would be adversely impacted in 2019 and beyond, if the tax cuts are paid for by spending cuts in future legislation, according to the nonpartisan Tax Policy Center
- Last year's Republican budget included \$500 billion in Medicare cuts and \$1 trillion in Medicaid cuts

Gives 83% of the tax cuts to the wealthiest 1%

- The top 1% have more than doubled their share of the nation's income since Dr. King's death
- Cuts the rate on income over \$400,000 to 35% and income above \$600,000 to 37% (both from 39.6%)
- Doubles the estate tax exemption from \$11 million to \$22 million, shielding even more of our nation's wealthiest estates from any inheritance tax

AN ATTACK ON AMERICANS' HEALTH CARE

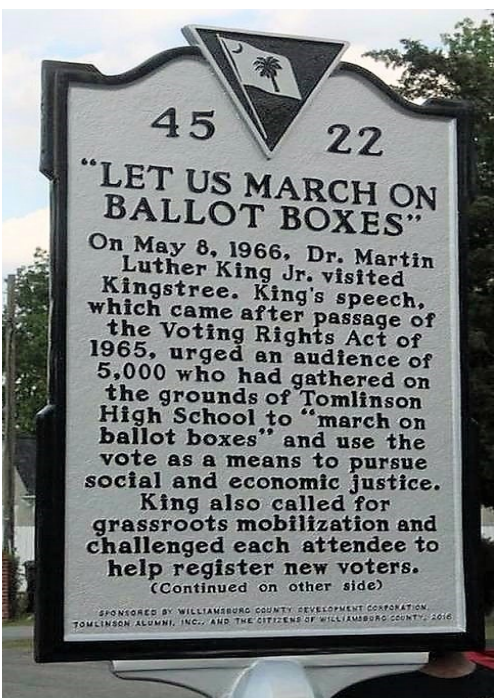
The Republican Tax Scam repeals the Affordable Care Act's (ACA) individual mandate, which requires all Americans to have health insurance. Economists expect its elimination to reduce enrollment in both the ACA's marketplaces and Medicaid by millions. The money saved will go toward tax cuts for the very wealthy.

Kicks 13 million off their health insurance

- According to the nonpartisan Congressional Budget Office, 13 million Americans will lose their health insurance because of the individual mandate repeal
- The number of uninsured Americans is expected to rise to 41 million
- Americans overwhelmingly rejected earlier efforts to repeal the ACA, but Republicans snuck this provision into the bill in an effort to undermine the law and destroy health insurance markets for millions

Raises health insurance premiums

- Economists predict premiums will rise by at least 10% without the individual mandate in place
- President Trump's decision to stop paying subsidies, cut the enrollment period in half, gut the advertising campaign and allow skimpy policies drove more insurers out of the marketplaces, decreased competition and raised costs
- Leaves a sicker consumer pool in place, harming those with pre-existing conditions most



Attacks on the safety-net are next

- Previous Republican budgets have repeatedly proposed cutting Medicare, Medicaid, and Social Security by more than \$1 trillion
- Within days of passing the Republican Tax Scam, Speaker Ryan publicly stated his desire to take on "entitlement reform" in 2018
- These programs are the backbone of the federal safety net. They are earned benefits that Americans have paid into over a lifetime. Instead of gutting, we must strengthen the solvency of these sacred trusts.

"Of all the forms of inequality, injustice in health care is the most shocking and inhumane."

*Dr. Martin Luther King, Jr.
- March 25, 1966*