



Tax

- Offering, in total, \$2 trillion in tax cuts in addition to \$4 trillion in cuts derived from TCJA (Tax Cuts and Jobs Act) extensions.²¹⁰
- Reportedly interested in extending the TCJA tax cuts and cutting corporate taxes.²¹¹
- Supports cutting taxes for working-class Americans.²¹²
- Expected to enact TCJA corporate tax deductions for research, development, and capital expenses.²¹³
- Supports enacting a 100% bonus depreciation through TCJA extension.²¹⁴
- Proposed eliminating federal income taxes entirely and using high tariffs on imports to replace lost revenue.²¹⁵
- Supports eliminating federal taxes on income from tips.²¹⁶
- Supports enacting a 20% corporate tax rate.²¹⁷
- Pledged to enact a 15% corporate tax rate for companies that make their products in the United States.²¹⁸
- Plans to repeal income taxes on Social Security benefits.²¹⁹
- Vows to lift the State and Local Tax (SALT) deduction cap.²²⁰
- Expressed interest in instituting a general tax exemption for overtime pay.²²¹

²¹⁰ Richard Rubin, “Federal Debt Is Soaring. Here’s Why Trump and Harris Aren’t Talking about It,” WSJ (The Wall Street Journal, September 17, 2024), https://www.wsj.com/politics/policy/federal-debt-deficit-trump-harris-5a0d30d2?mod=politics_trendingnow_article_pos2.

²¹¹ The Economist, “America’s Fiscal Outlook Is Disastrous, but Forgotten,” The Economist (The Economist, May 2, 2024), <https://www.economist.com/briefing/2024/05/02/americas-fiscal-outlook-is-disastrous-but-forgotten>.

²¹² ICYMI: RNC Platform Committee Adopts 2024 Republican Party Platform, “ICYMI: RNC Platform Committee Adopts 2024 Republican Party Platform,” GOP, 2024, <https://www.gop.com/press-release/icymi-rnc-platform-committee-adopts-2024-republican-party-platform/>.

²¹³ Joe Light, “What a Biden-Trump Rematch Means for Your Taxes,” Barrons (Barrons, February 25, 2024), <https://www.barrons.com/articles/biden-trump-presidential-election-tax-plans-192595de>.

²¹⁴ “Trump Pitches Low Taxes, High Tariffs to Wall Street’s Elite,” POLITICO, September 5, 2024, <https://www.politico.com/news/2024/09/05/trump-economy-00177543>.

²¹⁵ “Yellen on Trump’s Tariffs-Taxes Idea: It Would ‘Make Life Unaffordable,’” POLITICO, June 16, 2024, <https://www.politico.com/news/2024/06/16/janet-yellen-donald-trump-tariffs-taxes-00163605>.

²¹⁶ William Welch, “Trump Plan to Eliminate Tip Tax Garners Capitol Hill Interest - Roll Call,” Roll Call, June 13, 2024, <https://rollcall.com/2024/06/13/trump-plan-to-eliminate-tip-tax-garners-capitol-hill-interest/>.

²¹⁷ Rubin, Richard. “Corporate Tax Rate Spurs Political Fight With More Than \$1 Trillion at Stake.” The Wall Street Journal. June 17, 2024. https://www.wsj.com/politics/policy/corporate-tax-rate-election-53de5180?mod=hp_lead_pos1.

²¹⁸ Jeanne Whalen et al., “Trump Proposal to Cut Tax Rate for U.S. Manufacturers Spurs Flurry of Questions,” WSJ (The Wall Street Journal, September 6, 2024), <https://www.wsj.com/economy/trump-proposal-to-cut-tax-rate-for-u-s-manufacturers-spurs-flurry-of-questions-24ac5cee>.

²¹⁹ Richard Rubin and Anne Tergesen, “Trump’s Tax-Cut Proposal Shakes up Social Security Debate,” WSJ (The Wall Street Journal, September 13, 2024), https://www.wsj.com/politics/policy/social-security-tax-trump-election-2024-9f911216?mod=politics_trendingnow_article_pos1.

²²⁰ “The Trump Tax Flip-Flop That Could Help Republicans Win the House,” POLITICO, September 20, 2024, <https://www.politico.com/news/2024/09/20/trump-salt-cap-house-gop-tax-00180245>.

²²¹ The Editorial Board, “Trump Repeals His Own Tax Reform,” WSJ (The Wall Street Journal, September 19, 2024), https://www.wsj.com/opinion/donald-trump-tax-giveaways-tips-overtime-tax-reform-7f45370e?mod=politics_trendingnow_opn_pos2.

- Supports imposing a temporary 10% cap on credit-card interest rates.²²²
- May encourage the Treasury Department to rewrite or reinterpret IRA (Inflation Reduction Act) implementation rules to change the regulations under which IRA tax credits are issued.²²³
 - Many IRA provisions granted the Treasury Department the authority to outline the criteria surrounding tax credit eligibility.

The highest legislative priority of the new Trump Administration and the Republican Congress will be to extend the 2017 Tax Cuts and Jobs Act and enact several additional proposals made by President-elect Trump during the campaign. The tax package may include the following:

- Extending lower individual tax rates
- Extending limits on individual Alternative Minimum Tax
- Extending doubling of the standard deduction
- Keeping Child Tax Credit at \$2,000
- Allowing the state and local tax deduction cap to expire
- Eliminating taxes on Social Security benefits
- Eliminating taxes on overtime pay
- Eliminating taxes on tips
- Potentially exempting all military and first responders from federal income taxes
- Reducing the corporate tax from 21 to 15 percent for domestic manufacturers
- Extending the research and experimentation deduction and other TCJA business provisions
- Repeal of certain Inflation Reduction Act tax credits

²²² Angel Au-Yeung, “Trump Floats Long-Shot Proposal for 10% Cap on Credit-Card Rates,” WSJ (The Wall Street Journal, September 19, 2024), https://www.wsj.com/politics/policy/trump-floats-longshot-proposal-for-10-cap-on-credit-card-rates-087a3817?mod=politics_lead_pos5.

²²³ “Trump vs. Biden’s Historic Climate Agenda,” POLITICO, July 29, 2024, <https://www.politico.com/news/2024/07/29/biden-climate-spending-trump-2024-00171593>.