



## AAF: Time is Ticking on the \$4 Trillion Tax Bomb

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**TOPLINE:** The House and Senate are both in session less than 100 days before the Tax Cuts and Jobs Act (TCJA) expires. Republicans must get their act together on reconciliation before American families take a \$4 trillion tax hike on the chin.

**BACKGROUND:** Important provisions of the Trump-Pence tax cuts (TCJA) are set to expire at the end of the calendar year. These provisions include more favorable treatment for pass-through business owners and lower individual income tax rates.

### The Trump-Pence Tax Cuts Delivered Results for American Families:

- The Trump-Pence tax cuts resulted in instantaneous economic growth from a surge in capital investment, productivity, jobs, and real wages.
  - **Lower-income earners saw the largest percentage increase in after-tax income.**
- Under the Biden Administration, families lost \$2,000 in real income.
  - **MEMO:** [American Families Won With the 2017 Tax Cuts](#)

### Extending the Trump-Pence Tax Cuts Would Continue Economic Prosperity:

- Create close to [a million American jobs](#) over ten years and protect American families from a significant tax increase.
  - **Mitigate tariff damage of potentially \$2,000+ annually per family while providing economic certainty for businesses to invest in America.**
- Continue to increase federal revenue compared to present levels:
  - Even with COVID-19, post-TCJA tax revenue has beat pre-TCJA estimates thanks to more economic activity.
  - **MEMO:** [Setting Bloomberg Straight on Tax Cuts](#)

### Failure to Extend the Trump-Pence Tax Cuts Would Punish American Families:

- Impose a higher total income tax burden on individuals than Communist China and increase taxes on millions of small "pass-through" business owners.
- Reduce capital investments by continuing the "bonus depreciation" phaseout.
- Increase taxes on more than [60% of American tax filers](#).
  - **READ MORE:** [AAF Chair Marc Short Fox News Op-Ed: I helped Trump get his first tax cut bill through Congress. Failure is not an option this time](#)

**BOTTOMLINE:** Democrats will not save Republicans on tax cuts. With a slim majority in the House, Republicans are on their own to extend the Trump-Pence tax cuts. They must rise to the challenge or American families will suffer the consequences.

