



RECONCILIATION

REVERSING THE RECOVERY

Pelosi's Plan to Raise Taxes, Kill Jobs, and Punish the Middle Class

ECONOMIC ESTIMATES OF THE BUILD BACK BETTER PLAN

10-YEAR CHANGES	DEBT	FTE JOBS	LONG-RUN GDP	INCOME
National	+\$4.5 trillion (16%)	-5.3 million (-4.3%)	-3.7 trillion	-\$1.2 trillion
State share-				
Arizona	+\$97 billion	-115,000		
West Virginia	+\$24 billion	-29,000		
Texas	+\$394 billion	-467,000		

MAJOR TAX AND SPENDING CHANGES SUMMARY

- Top marginal income tax rates with federal, state, and local taxes are over 65%
- Corporate tax rate up by a quarter to 26.5% for third highest combined rate of 30.9% in OECD
- Marginal tax rate increase of 13 percentage points on some households
- Capital gains tax rate up by 25%
- Marginal income tax rate on some small businesses raised by 24%
- Multiple severe marriage penalties are imposed
- Effective tax rate on large estates before state and local taxes is 61.1%
- Taxes raised on tobacco and vapor products, primarily used by those earning less than \$400,000
- International taxes on businesses raised by over 20%
- \$6.89 tax raised per barrel on imported petroleum and increase tax with inflation
- Capital gains tax rate increased, unrealized gains taxed at death, death tax increased, and step-up basis eliminated
- Cap on SALT deduction removed
- Redistributing \$6.2 trillion in government spending slows growth

ECONOMIC EFFECTS ON FAMILIES AND BUSINESSES

Families

- National Debt increase is an extra \$35,439 in debt on each American household
- Jeopardizes family farms and businesses when original owner dies
- Marriage penalty on small business owners as high as \$130,200 annually
- Median family's income drops by \$12,000
- Removing cap on SALT deduction: Middle class family receives just \$15 while wealthy Democrat donors in blue states receive \$150,000

Business and Investment

- Lost investment of \$663 billion
- Taxing unrealized capital gains yields 43.4% less revenue than expected
- Corporate tax rate hikes reduce wage growth by 23.1% for employees
- International tax rate hikes reduce full-time employment by 12,000 jobs
- U.S. tax competitiveness would fall from 21st to 30th



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