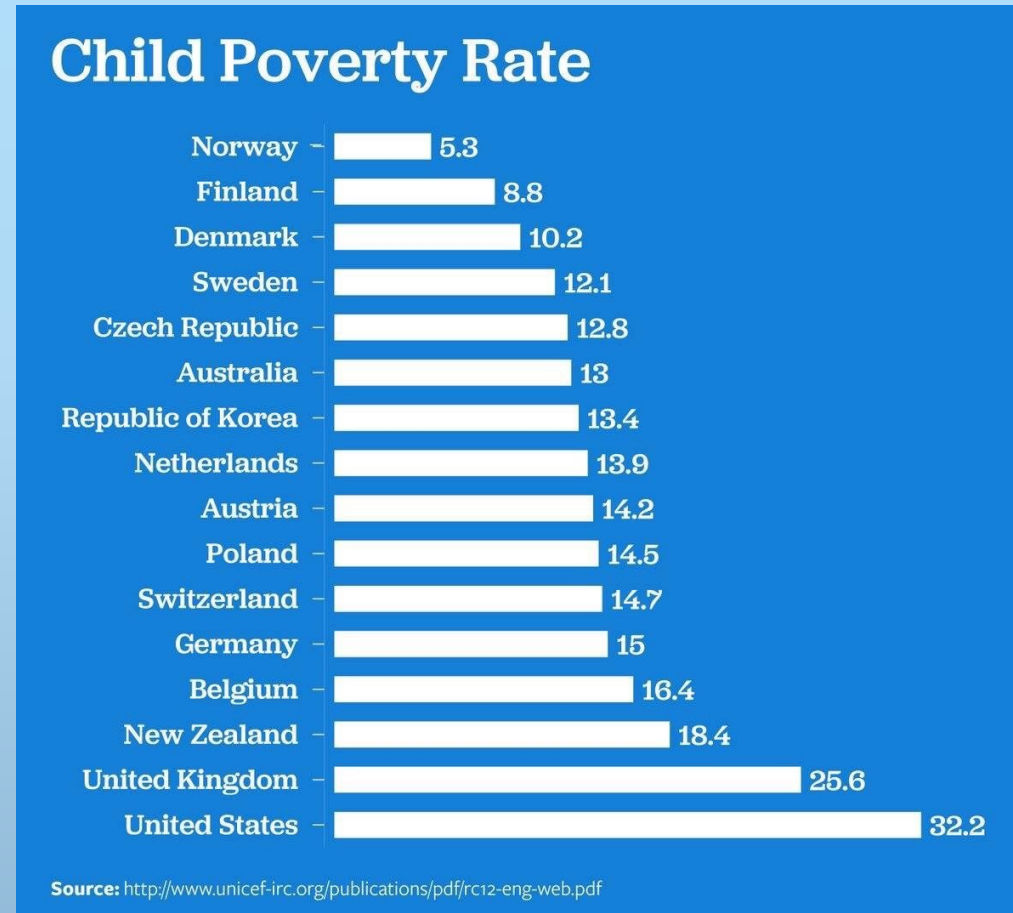


I. No Cuts to Medicaid, Medicare, and Social Security Benefits

Child Poverty in the United States



American Healthcare Act (AHCA)

A) House of Representatives

- American Health Care Act (AHCA) – passed in early May by a margin of 217-213. All Democrats and 20 Republicans opposed it.
- Eliminates health care coverage for 23 million people
- Ends Medicaid as an entitlement program
- Gives hundreds of billions in tax cuts for corporations and the wealthy
- Allows states to opt out of the Affordable Care Act (ACA) protection

B) Senate

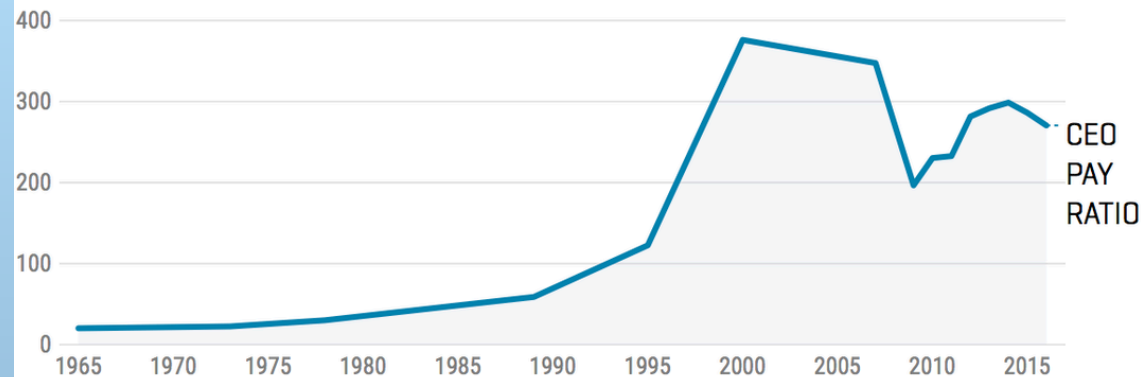
- H.R. 1628 American Health Care Act of 2017 failed, by 51-49 votes, on July 28,2017. Every Democrat and three Republicans opposed.
- “The ACA has helped many people in our state and across the country. There is no question about that.” – Senator Lisa Murkowski, November 21 2017

Economic Inequality

- In 2015, the CEO-to-Worker pay ratio was 271:1
- The average S&P 500 Index CEO received \$13.1 million in total compensation
- The top 1% controlled 38.6% of US wealth in 2016 (CNN) - September 27, 2017

CEO-to-worker Compensation Ratio

While 2016 CEO pay is projected to fall slightly from 2015, the average CEO of a large U.S. company makes 271 times the wages of the average worker.



This uses the "options realized" compensation series which includes salary, bonus, restricted stock grants, options realized, and long-term incentive payouts for CEOs at the top 350 companies ranked by sales.

SOURCE: [Economic Policy Institute](#)

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Tax Cuts and Jobs Act, H. R. 1

- Signed into law by President Trump on December 22, 2017
- House: 224 to 201, Republicans 224 in favor and 12 opposed and Democrats 0 in favor and 189 opposed
- Senate: 51 to 48, Democrats all opposed and Republicans all in favor

Tax Cuts and Jobs Act, H. R. 1

- "Any reductions we have in upper-income taxes will be offset by less deductions so that there will be no absolute tax cut for the upper class. When we work with Congress and go through this, it will be very clear: This is a middle-income tax cut." – Treasury Secretary Steven Mnuchin, CNBC October 18 2017

How H.R. 1 impacts the middle class

- Eliminates popular deductions including SALT, mortgage deductions in high cost areas
- By 2027, 70 million households making less than \$100,000 will pay higher taxes than under current law.
- Taxpayers with income less than \$25,000 will receive an average \$60 tax cut, middle income taxpayers will receive \$900, while the top 1% will receive \$51,000.

How H.R. 1 impacts middle class

- Of the Fortune 500 companies:
 - 46, or 1 out of 10, were offering any tax-cut-related benefits to employees
 - 17, or 3.4%, were providing permanent wage hikes; not to all workers but by raising their minimum wage
 - 29, or 5.8%, were giving one-time bonuses, typically \$1,000
- Source: <https://americansfortaxfairness.org/wp-content/uploads/Analysis-Major-Corporations-Getting-Huge-Trump-Tax-Cuts-Not-Very-Generous-To-Workers-FINAL.pdf>

How H.R. 1 impacts the wealthy

- "No, I don't benefit. I don't benefit. In fact, very very strongly, as you see, I think there's very little benefit for people of wealth." – President Donald Trump, CNBC September 27, 2017

How H.R. 1 impacts the wealthy

- “I will eliminate the carried interest reduction.” – President Donald Trump

- Source: “Trump vows to get rid of carried interest loophole,” Washington Post, Aug. 8, 2016 https://www.washingtonpost.com/video/politics/trump-vows-to-get-rid-of-carried-interest-loophole/2016/08/08/dc2ecba8-5d86-11e6-84c1-6d27287896b5_video.html

How H.R. 1 impacts the wealthy

- Top rate for pass-through businesses cut from 39.6% to 29.6%
- Tax rate for high income individuals cut from 39.6% to 37%

How H.R. 1 impacts the wealthy

- Estate tax exemption doubled to estates worth over \$22 million (only extremely rich heirs will benefit)
- "I think not having the estate tax recognizes the people that are investing, as opposed to those that are just spending every darn penny they have, whether it's on booze or women or movies." – Senator Chuck Grassley to *Des Moines Register*, November 29 2017.

How H.R. 1 impacts corporations

- Corporate tax rate cut from 35% to 21%
- Corporate tax cut will cost \$1.5 trillion
- Repatriation holiday
- Territorial system will further encourage outsourcing of manufacturing jobs.

How H.R. 1 impacts healthcare

- “It is important to emphasize that eliminating this tax penalty does not take care away from anyone.” – Senator Lisa Murkowski, November 21 2017

How H.R. 1 impacts healthcare

- Repealing the ACA mandate will increase insurance premiums by 10% per year.
- The number of people with health insurance would decrease by 4 million in 2019 and 13 million in 2027.

• Source: <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53091-fshic.pdf>

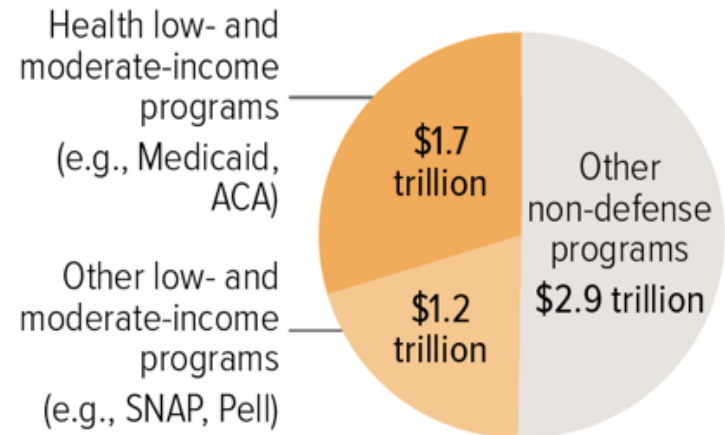
How H.R. 1 impacts the budget

- The deficit would explode, increasing by \$1.46 trillion (official conservative estimate) over the next decade, or an average of \$150 billion per year. Models that assume modest economic growth estimate that it will add about \$2 trillion to the national debt.

How H.R. 1 impacts the budget

House GOP Budget Cuts Low- and Moderate-Income Programs By \$2.9 Trillion Over Decade

Total cuts, 2018-2027



ACA = Affordable Care Act

Note: Cuts in health low- and moderate-income programs reflect both the entitlement cuts in Function 550 (\$1.5 trillion) and other cuts in the budget (\$200 billion).

Source: CBPP analysis based on Congressional Budget Office and House Budget Committee data

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- Tell members of Congress to commit to not cutting Medicare, Medicaid, and Social Security benefits!