



MORE jobs | FAIRER taxes | BIGGER paychecks

HIGHLIGHTS OF THE UNIFIED TAX REFORM FRAMEWORK

Lowers Rates for Individuals and Families

The framework shrinks the current seven tax brackets into three – 12%, 25% and 35% – with the potential for an additional top rate for the highest-income taxpayers to ensure that the wealthy do not contribute a lower share of taxes paid than they do today.

Doubles the Standard Deduction and Enhances the Child Tax Credit

The framework roughly doubles the standard deduction so that typical middle-class families will keep more of their paycheck. It also significantly increases the Child Tax Credit.

Eliminates Loopholes for the Wealthy, Protects Bedrock Provisions for Middle Class

To provide simplicity and fairness the framework eliminates many itemized deductions that are primarily used by the wealthy, but retains tax incentives for home mortgage interest and charitable contributions, as well as tax incentives for work, higher education, and retirement security.

Repeals the Death Tax and Alternative Minimum Tax (AMT)

The framework repeals the unfair Death Tax and substantially simplifies the tax code by repealing the existing individual AMT, which requires taxpayers to do their taxes twice.

Creates a New Lower Tax Rate and Structure for Small Businesses

The framework limits the maximum tax rate for small and family-owned businesses to 25% - significantly lower than the top rate that these businesses pay today.

To Create Jobs and Promote Competitiveness, Lowers the Corporate Tax Rate

So that America can compete on level playing field, the framework reduces the corporate tax rate to 20% – below the 22.5% average of the industrialized world.

To Boost the Economy, Allows “Expensing” of Capital Investments

The framework allows, for at least five years, businesses to immediately write off (or “expense”) the cost of new investments, giving a much-needed lift to the economy.

Moves to an American Model for Competitiveness

The framework ends the perverse incentive to offshore jobs and keep foreign profits overseas. It levels the playing field for American companies and workers.

Brings Profits Back Home

The framework brings home profits by imposing a one-time, low tax rate on wealth that has already accumulated overseas so there is no tax incentive to keeping the money offshore.