

Trump's tax plan is a win that just keeps giving

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President Trump and Republicans have delivered on their promise to pass comprehensive tax reform that reduced taxes for Americans at every income level, increased wages, and created more jobs.

Even though the Tax Cuts and Jobs Act was only signed into law in December of 2017, the law is already a success.

Businesses across the country have responded to the pro-growth reforms in the Tax Cuts and Jobs Act by giving employee bonuses, increasing wages, making new charitable donations, or announcing plans to increase investment and create more jobs. 200,000 jobs were added in January, unemployment is at a 17 year low, and wage growth is up. Business optimism is at an all-time high among small businesses and manufacturers.

Already, nearly four million Americans have received bonuses and other benefits.

Hours after the tax reform bill passed through the House and Senate, AT&T announced plans to provide 200,000 U.S. employees with a \$1,000 bonus. Similarly, Comcast has announced a \$1,000 bonus for 100,000 employees, while Pfizer has promised \$100 million worth of bonuses to non-executive employees.

The benefits of tax reform have not been limited to larger business either. Smaller businesses across the country are also thriving. Anfinson Farm Store, a family owned business in Cushing, Iowa (population 223) has given its employees a \$1,000 bonus and raised wages by 5 percent. Kentucky-based Turning Point Brands, Inc. will give 107 employees a \$1,000 bonus.

Heating and cooling company AAON – with facilities in Tulsa, Oklahoma and Longview, Texas – gave its 2,000 employees a \$1,000 bonus. Tampa-based Spellex Corporation is gave its 26 employees \$1,000 bonuses, and Five Senses Spa, Salon and Barbershop based in Peoria, Illinois gave \$500 bonuses to its 20 employees.

While the bigger paychecks will be felt immediately, companies are also investing in their workers, which will result in benefits in the years and months to come. Boeing announced \$300 million to be spent on charitable donations, workforce development, and infrastructure improvement. Walt Disney announced \$50 million in employee educational programs, and Walmart announced expanded maternity and parental leave and a \$5,000 allowance for adoption expenses.

Other companies are increasing employee retirement benefits. Visa is doubling its 401(k) employee contribution match to a maximum of 10 percent of employee pay, while Cigna is spending \$30 million on 401(k) matches.

Businesses are also investing in the economy, which will mean more jobs created, and higher wages in the future. Merck has already announced it will invest \$12 billion in the economy, while Exxon Mobil will invest \$35 billion in the next five years.

Utility companies across the country are responding to tax reform by lowering rates for customers, resulting in lower energy bills. Illinois-based ComEd is passing \$200 million worth of savings to consumers, while Baltimore Gas & Electric is passing \$82 million in annual savings to customers.

The success of tax reform should not be a surprise – the bill contains numerous provisions that will grow the economy and benefit the middle class. The legislation cut taxes for American families at every income level and for businesses large and small, while dramatically simplifying the code and repealing distortionary tax credits.

American families and individuals at every income level are seeing tax reduction under this bill, with 90 percent of wage earners seeing more money in their paychecks. A family of four, earning the median income of \$73,000 will receive a tax cut of more than \$2,000 this year. Similarly, a single parent with one child earning \$41,000 per year will see tax reduction of 73 percent, resulting in a \$1,304 tax cut.

Strangely, Democrats continue to claim the bill is a scam. House Minority Leader Nancy Pelosi (D-Calif.) has compared the bill to the apocalypse and derided the bonuses given to American workers as “crumbs,” while Senate Minority Leader Chuck Schumer (D-N.Y.) called the bill a “betrayal” of the middle class.

This apoplectic rhetoric should not be surprising given that every Democrat in the House and Senate voted against tax reform. However, their rhetoric is not working – the tax reform bill is as popular as ever, with a New York Times poll showing majority support for the legislation.

This latest news is vindication for President Trump and Republican tax writers. The GOP has kept their promise for tax reform that benefits the middle class. Wages are increasing, take-home pay is up, and companies are investing in their workers and the economy as never before.

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