

## **Trump takes tax pitch to conservative think tank**

Debra J. Saunders

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President Donald Trump sought to sell the GOP tax-cut plan in a speech to the Heritage Foundation Tuesday while acknowledging the role that the conservative think tank had in helping his winning 2016 campaign craft a policy agenda.

“Let’s give our country the best Christmas present of all: massive tax relief,” Trump told the annual meeting of the Heritage Foundation’s President’s Club.

Trump also saluted the organization with a nod to its name: “You understand that our glorious heritage is the foundation of everything we hope to achieve.”

During the 2016 campaign, then Heritage Foundation President Jim DeMint reached out to Trump and offered to provide free advice for the low-budget campaign team. It was a deal that worked well for both parties and set the foundation apart as a conservative think tank whose fellows were not too pure to work with the populist Trump.

“Heritage was very quick to adapt to Trump’s rise, unlike most conservative institutions,” said Steve Hayward, resident scholar at the Institute of Governmental Studies at the University of California, Berkeley. Trump “is rewarding friends and loyalty where it’s needed.”

In May, the Heritage board forced out DeMint, a former GOP senator and representative from South Carolina. At the time there were rumors that then White House chief strategist Steve Bannon would replace DeMint. Instead former Heritage President Ed Feulner took the helm.

“We were Ronald Reagan’s favorite think tank,” Feulner told Heritage staff, according to the Washington Examiner. “And today we are, and will continue to be, Donald Trump’s favorite think tank.”

### **Following footsteps**

Trump was the fourth president to speak to Heritage — following in the path of Republican Presidents Reagan, George H.W. Bush and George W. Bush.

Feulner, Vice President James Carafano and fellow Ed Meese, a former attorney general under Reagan, are among the big Heritage names who served on the Trump transition team.

The Heritage Foundation and the Federalist Society worked together to compile a list of potential U.S. Supreme Court nominees — in September, Trump expanded the list from 11 to 21 — that included eventual Trump pick Neil Gorsuch.

Heritage papers also have provided direction on tax reform, which the White House readily acknowledges, as well as on repealing and replacing Obamacare and defense spending.

Trump hit favorite themes during his speech. He praised law enforcement and the U.S. Constitution and promised attendees they would be hearing “Merry Christmas” again.

He also gave a nod to the Dow Jones industrial average briefly surpassing 23,000 for the first time — which he sees as a sign of the U.S. economy’s “Trump bump.” The Dow was below 20,000 on the day Trump took the oath of office.

### **The tax plan**

And, of course, Trump talked tax cuts. He said his package would reduce “our crushing business tax,” and he got a big laugh when he sighed, “It makes me want to go immediately back in business.”

Trump’s tax plan would lower the corporate rate from 35 percent to 20 percent, reduce the number of individual income tax brackets and double the standard deduction. But it would also remove the personal exemption and possibly much of the deduction for state and local taxes.

As he talked up the plan, Trump repeated his administration’s assertion that the corporate tax cut and other changes would lead to a \$4,000 pay raise for the average American family — a claim that has been met with skepticism from tax experts and Democratic lawmakers.

“Love the proposed tax cuts,” said attendee Dave Williams of Lititz, Pennsylvania. “Money back in the pockets of middle America.”

“So many good things are happening under this administration (that) are simply unreported,” he added.

Martha Gasparovich of Livonia, Michigan, said she considered Trump’s appearance at the meeting “frosting on the cake.”

Democratic consultant Garry South was less complimentary. “It was typical Trump,” he said. “Meandering, lying, exaggerating, expectorating. The only tax speech I want to hear from Trump is the one in which he releases his own taxes.”

The event falls days after Bannon criticized the Heritage Foundation, a staunch advocate of free trade, for not appreciating “economic nationalism.”

“I understand all of us don’t agree upon everything,” Bannon said in his speech Saturday at the Values Voter Summit. “I understand that there’s plenty of folks over at Cato and AEI and Heritage that we have to convert.”

The Cato Institute is a libertarian-leaning public policy research organization, and the American Enterprise Institute is a conservative think tank.

Asked about Bannon’s comment, Heritage representatives had no comment.

### **Preserving history**

President Donald Trump also used his appearance before the Heritage Foundation’s President’s Club to argue the U.S. should celebrate and preserve its history, “not tear it down.” He pointed to

a movement to take down Confederate statues and other symbols of the country's divisive past, which have sparked protests and backlash.

“Now they're even trying to destroy statues of Christopher Columbus? What's next? It has to be stopped,” he said.