



## **Clinton: Record of Demanding More From the Wealthy**

**By Paul C. Barton**

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Democrat and former Secretary of State Hillary Clinton, who announced her 2016 presidential candidacy April 12, shows a history on tax issues quite different from already-announced Republican candidates who are eager to award tax breaks to corporations and investors.

Clinton, throughout her decades of public service -- which also includes time as a U.S. senator from New York (2001-2009) and as first lady (1993-2001) -- has long held that the wealthiest should give more financially in order to finance government programs and tax breaks that help low- and middle-income Americans.

Her husband, former President Bill Clinton, started off his presidency in 1993 by getting Congress to raise taxes on the wealthy in order to help close deficits.

Hillary Clinton has even talked about the responsibilities of the rich worldwide. In a 2014 speech before the New America Foundation, she said:

Now, as Secretary of State, I saw the way extreme inequality has corrupted other societies, hobbled growth, and left entire generations alienated and unmoored. From Guatemala to Greece to Pakistan, I urged elites to pay their fair share, to provide services that would be the base on which more of their fellow countrymen and women could climb out of poverty. I pressed governments to invest in their people and an inclusive positive vision for the future. Now, in the Middle East and North Africa, we saw the explosive results when opportunity and potential are denied for too long.

Still another guide to her tax views comes from stances she took in her 2008 presidential campaign, when she failed to wrest the Democratic nomination away from then-Sen. Barack Obama of Illinois. Her positions included:

- Individual tax rates: Extend tax relief for middle-income taxpayers but end the tax cuts enacted under former President George W. Bush for those making more than \$250,000. Extend marriage penalty relief.
- Capital gains tax rate: "I wouldn't raise it above 20 percent if I raised it at all. I would not raise it above what it was during the [Former President Bill] Clinton administration."
- Estate taxes: Freeze the exemption at \$7 million per couple to raise \$400 billion over 10 years to pay for middle-income tax cuts.
- Corporate taxes: "Independent organizations from the Congressional Budget Office to Moody's agree that a corporate rate cut is among the least effective ways to jump-start our economy."
- Hedge and equity fund managers: Eliminate carried-interest benefits that allow millionaires to pay at a tax rate far lower than that of ordinary Americans.

One of her 2008 campaign press releases summed up: "Hillary has consistently supported tax relief for middle-class families. She has supported permanently ending the marriage penalty, extending the lower-income tax rates, providing a deduction for college tuition, and providing a refundable child tax credit and adoption tax credit."

In the Senate, she opposed the major tax cut packages that Bush pushed through the Congress in 2001 and 2003 and in 2005 supported proposals to roll back some of those cuts for the wealthy, especially as they applied to capital gains and dividend income. She also voted for windfall profit taxes on oil companies, and in 2006 backed efforts to increase taxes on capital gains and dividends to fund veterans' programs. She also consistently supported enhancements to child tax credits.

Her interest group ratings were consistently below 20 percent and 10 percent from conservative antitax groups. Her highest rating on tax issues while a senator, an 80 percent score for 2005-2006 votes, came from the liberal Citizens for Tax Justice.

Going into a 2016 race, concerns about income inequality are likely to be central to her economic and tax planks, *The New York Times* reported April 10.

Despite the track record, some conservatives hold out hope of a surprise or two in her tax positions, including possible support for a cut in corporate tax rates to make the United States more competitive. "You never know," Chris Edwards of the Cato Institute said in an interview. "There's an opportunity for a Democrat." Edwards noted that a prominent Democrat, California Gov. Jerry Brown, supported a flat tax in his 1992 presidential campaign.

But Ferrel Guillory of the University of North Carolina told Tax Analysts he doubts voters will see any about-face in Clinton's positions. Going back to her days as first lady of Arkansas in the 1980s, he said, Clinton has always been about using the power of government programs to help the struggling, even if that means "modest tweaks to income taxes" to bring about income redistribution.

"She strikes me as the center of the Democratic Party right now," Guillory said. "I think she is going to be progressive but not as populist as Elizabeth Warren." Warren is currently a Democratic senator from Massachusetts.