

# NATIONAL REVIEW

## Are Congress's Tax Plans Designed to Benefit Trump?

Jibran Khan

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One of the stupider tendencies within our political discourse is to label mundane GOP policies as novel parts of the “Trump agenda.” I can’t make much of the idea that a man who thinks judges sign bills into law and switches political identities on a whim has a coherent agenda on, say, taxes or trade. But even if he does, the fact that he favors a given proposal does not mean it belongs, or is unique, to him.

It has been suggested that the tax bills in Congress are littered with provisions designed for Trump’s personal benefit. Critics cite everything from small-business tax reform to estate-tax repeal to eliminating the Alternative Minimum Tax as examples of handouts to the Trump Organization. This is silly. These reforms are entirely within the mainstream, and have long been supported by Republicans (back when Trump was still a Democrat) and often by Democrats as well.

Trump paid the Alternative Minimum Tax in 2005, according to his leaked tax returns. This means, we are told, that AMT repeal is a service to Trump, who is still slighted by the experience. But the Urban-Brookings Tax Policy Center was saying the AMT “fails on efficiency grounds” back in 2009, while Chris Edwards at Cato was advocating its repeal in 2007. Indeed, even the IRS’s own National Taxpayer Advocate was calling the AMT the “poster child” for “the most serious problem facing taxpayers today” back in 2006.

As far as I know, Donald Trump was not masterminding this research between episodes of *The Apprentice*, seasons six through ten. Maybe Seth Hanlon knows better.

Repeal of the estate tax, too, we are told, is especially Trumpian, designed to funnel billions to the Trump dynasty. But the estate tax has attracted scorn for years, not only from conservative politicians and libertarian thinkers but from the general public as well. Twelve Democratic senators supported repeal or major reform of the tax in 2002, and as recently as 2015 several House Democrats voted for repeal.

Solid majorities believe that upper-income people pay too little in taxes, but even larger majorities oppose estate taxes. Lest this be read as a sign of a new Trumpian turn in Americans’ views, it has in fact been the majority view of Americans for decades, even at the height of the Great Depression. Even a particularly generous view of Trump’s abilities as an influencer probably cannot accommodate polls from the decade before his birth.

What, then, of the corporate income tax? After all, Trump often reminds us that he’s a businessman. Has he spearheaded this move?

The focus should be on Congress and its responsibility to get this right. No dice here, either. The U.S. has the highest statutory corporate-tax rate in the developed world, and there is a bipartisan view that it ought to be brought down to a more globally competitive level. Most research has estimated that a substantial portion of corporate tax falls on labor (in the form of reduced wages), with a low estimate of 20 percent and a high estimate of 60 percent, according to the March 2013 issue of *The National Tax Journal*. In other words, mainstream economists across the spectrum, including those at the Treasury Department, believe that each dollar of corporate tax reduces wages by 20 to 60 cents.

It is laughable to suggest that a reform that would harmonize American rates with those of, say, Sweden and Korea, as both Republicans and Democrats have advocated, is a Trumpian coup.

Why is this important? Trump's temperament, disdain for norms, and proud ignorance make him a questionable pick for commander-in-chief. His election arguably suggests a shift into European-style class-based politics that has more in common with Jeremy Corbyn than with the American tradition. And yet tax legislation is government at its most mundane. If everything that happens while Trump is president is seen as uniquely Trumpian, regardless of whether or not he had any personal involvement in its genesis, it is going to make all analysis futile. It will also let the authors of this legislation dodge legitimate scrutiny.

I doubt that Trump has any interest in tax policy beyond wanting to sign a bill and claim that he's won. The focus should be on Congress and its responsibility to get this right. To focus on some fantasy that Trump has remade politics overnight serves only to distort that debate.