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Reality may soon change views of tax cut bill

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Democrats think they see parallels between Obamacare and this year's tax cut measure. According to polling at the time of passage, both measures were broadly unpopular. The Obamacare numbers translated into huge Republican gains in 2010 elections. Democrats think tax cuts will cause the same thing to happen in reverse in 2018.

However, while there are similarities, there also are major differences. For one thing, the unpopularity of the tax cut measure appears driven by people who think it increases taxes.

A recent CNN poll found only 33 percent of respondents favored the Republican tax plan; 55 percent opposed. The poll found 37 percent believed their family would be *worse off* if the tax measure became law, 36 percent thought their situation would be about the same, and 21 percent thought they would be better off.

The reality is far different at all income levels, according to a range of serious analyses. The Tax Policy Center, a left-leaning institution, estimates nearly 54 percent of people in the lowest quintile of earners will receive a tax cut under the Republican plan; almost none will see a tax increase. Nearly 87 percent of the second-lowest income quintile will see their tax burden lowered; 91 percent in the middle quintile will pay less. Overall, the Tax Policy Center estimates 80 percent of citizens will pay less in taxes, and fewer than 5 percent will experience a tax increase.

The impact on the middle class is significant, too. Chris Edwards, an official with the libertarian Cato Institute, notes Americans earning \$40,000 to \$50,000 pay \$11.9 billion in combined income and corporate tax. Under the Republican plan, that figure will fall by \$6.7 billion, more than 56 percent. Income and corporate tax payments will fall more than 25 percent for those earning \$50,000 to \$75,000. And so on.

Put simply, many people who think their taxes will increase under the GOP plan, and are therefore expressing disapproval today, will soon find their taxes have been cut — substantially so in many instances.

Critics argue the Republican plan cuts corporate taxes more than individual taxes and say that won't benefit the average worker. The very early returns already undercut that argument. Almost as soon as it became clear tax cuts would be signed into law, major employers began announcing they were giving employees bonuses or pay raises and planning substantial new investments. That list included Boeing, AT&T, Fifth Third Bancorp, Wells Fargo and Comcast.

Some complain personal income tax cuts phase out in future years, but not corporate reductions. Yet that was done for parliamentary reasons, and most experts admit middle-class cuts will almost certainly be renewed by future Congresses.

No doubt, much disapproval is driven by hyper partisanship. Some who dislike President Trump or Republicans will disapprove of anything they do, regardless of merit. But other people who disapprove of the tax plan today will soon have reason to reassess.

Unlike Obamacare, the Republican tax cuts are poised to deliver broad economic benefit. That may not guarantee Republicans electoral victories next year, but there's no reason to think tax cuts are suddenly an albatross.