



Trump tax plan leaves Congress, Ryan with heavy lift

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Trump's plan would cut the tax rate paid by businesses to 15 percent.

While the rest of us would see some tax relief, it's hard to say how much, since the plan doesn't include any income thresholds for the new **tax brackets**.

"The details of taxes are very complicated and we're committed to working quickly and getting this done", **Mnuchin** said.

Treasury Secretary Steve Mnuchin, in remarks Wednesday, channeled Trump's penchant for exaggeration.

But Hubbard cautions that any new growth resulting from tax reform won't be enough to pay for the tax cuts.

GUTHRIE: But you know this, this idea that you can pay for it with economic growth is kind of a Washington fairy tail.

This tax is created to ensure the super wealthy pay enough in taxes (without the AMT, Trump himself would've paid just over 3% on his 2005 tax return), but it does make things complicated for middle-income earners, too. It dates back to economist Arthur Laffer's infamous curve of the 1970s and '80s, and, later, to the concept President George H.W. Bush called "voodoo economics". And that's is what the president is committed to.

"If you want to get it done by the end of the year, and that's what the administration has said over and over again, you're going to have to come up with details pretty quickly", he added.

Gayle King: Why put it out now, Mr. Secretary, without all the details? "I don't think it will be a rise, but it won't be a reduction". And this is something we have been talking about since the campaign.

But what about economic growth?

"We've been briefed on what they're going to do and it's basically along exactly the same lines that we want to go, so we see this as progress being made", Ryan said. Cohn said that the plans were "something that Democrats should support too because it's good for the American people".

"Instead of focusing on hard-working families as he promised, President Trump's tax outline is a wish list for billionaires", she continued.

CIMB economist Song Seng Wun agreed, saying that short of Asia falling into a financial crisis, United States firms will likely retain their Singapore operations and are unlikely to repatriate massive sums back to the home country. For decades, Republican lawmakers railed against saddling future generations with trillions in debt. We also raise questions the one-page plan doesn't even begin to answer. Sketchy as it is, the plan contains many elements on a tax wonk's wish list: more simplicity, fewer deductions, competitive worldwide rates. And that's something we will be looking at when we report the 10 year numbers. And that will be invested in American capital and American jobs and that's is what this is all about.

Chris Edwards of the Cato Institute offers kudos to Trump for taking charge and thinking boldly, particularly on business tax reforms.

"If the U.S. corporates repatriate money back to the USA, they have to ask themselves what they will do with the money there". But this is really about a middle income tax cut, OK? "And if that is portrayed as such, you'll have a tough time in Congress".

Another "objective" of the plan, **Mnuchin** told ABC, was to make sure that the wealthy would not get a better deal than the middle class and lower-wage earners.

Cohn said the deduction would create "a zero tax-rate for the first \$24,000". But all other deductions, except for mortgage interest and charitable contributions, would be eliminated, including state and local taxes and medical expenses.