Is Romney's tax plan really 'revenue neutral?'

AirTalk

By: Nicholas Kamm

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US Republican presidential candidate Mitt Romney arrives in Los Angeles on September 16, 2012.

Mitt Romney's proposed tax plan has long been under scrutiny by Democrats, but now Republicans are splitting hairs as well. In an effort to combat Democratic claims that Romney's plan would raise taxes on the middle class, Republican economists analyzed their nominee's budget plan, and what they found was not pretty.

To make the numbers work, Romney would have to raise income taxes on families in the $100,000 to $200,000 range. Additionally, Romney needs to eliminate most, if not all, tax deductions and credits for households over $100,000. This could prove troubling for the Romney campaign among middle class voters, especially in light of the candidate's statement last Friday that "middle income is $200,000 to $250,000 and less."

Furthermore, Romney has pledged that his budget would be "revenue neutral," meaning that for every dollar cut in taxes, a dollar would be raised somewhere else. However, Romney isn't naming the ways in which he would open up other lines of revenue for the country.

Do these revelations spell doom for Mitt Romney? What are the specific differences between his plan and that of President Obama? What else did these Republican economists discover about Romney's take on taxes? How would his plan affect you?

Guests:

Dean Baker, economist & co-director, Center for Economic and Policy Research

Chris Edwards, economist & director of tax policy studies at the Cato Institute and the editor of Downsizing Government.org