



Trump open to increasing gas tax

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"Everything is a starting point", the president said. The goal is to simplify the corporate tax code and to make American corporate taxes internationally competitive.

The highest personal tax rate in the United States is 39.6% - Trump wants to simply the number of tax brackets to three with rates of 10%, 25%, and 35%.

President Donald Trump is planning on cutting taxes, and his advisers have been arguing that he does not need to reduce federal spending at the same time. According to the Committee for a Responsible Federal Budget, the tax plan is likely to cost \$5.5 trillion over five years.

Dan Mitchell is a senior fellow at Cato Institute. "Their income is going to be drawn from labor", rather than from investments. The biggest difference for individuals will be the doubling of the standard deduction or tax-free amount from \$12,600 for couples to \$24,000.

Across all income groups, about 30 percent of taxpayers now itemize their returns, but that number climbs sharply along with income. "Real infrastructure projects are best done at the state and local levels where transparency, efficiency, and accountability are at their highest".

Current marginal income tax rates in the USA by income range.

The analysts acknowledge that the Trump tax plan does have potential growth benefits - the assumption being that lower tax rates leads to increased economic output.

"The cost of doing nothing is more expensive than a higher fuel tax", said Chris Spear, president of the American Trucking Associations.

Scrapping deductions en masse would affect all sorts of taxpayers.

Sen. Matt Jones, D-Louisville and sponsor of HB 1328, said the controversy regarding Trump's dealings with other countries and his business ties has raised questions over outside influences on the nation's leader, which the bill aimed to remedy by increasing disclosure requirements. "That's an important thing", Marr said, because this could hurt large families who right now can claim an exemption for each child.

Trump's massive tax cut is a solution in search of a problem. "The whole plan is aimed at an across-the-board tax break for corporations."

In a study, primarily financed by the Goodman Institute, Boston University economist Laurence Kotlikoff and Berkeley economist Alan Auerbach find that the House tax plan would attract trillions of dollars of capital to the USA economy that would otherwise be offshore.

Some tax experts were blunter in their assessments.

Or University of Chicago economist Michael Greenstone: "It wasn't a fleshed out plan, but based on what was announced the probability that it will increase the deficit is very high". "The House Republican tax plan would replace a tax on labor with a tax on wealth", he said.

"It's a set of ideas... it's an ideological direction", Kirkegaard said. "It's not really a proposal". "It goes in a regressive direction and it leaves the future generations to pay most of the bill".