



Lee And Rubio Outline Ambitious Plan To Reform Tax Code

By Rachel Stoltzfoos

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Republicans Florida Sen. Marco Rubio and Utah Sen. Mike Lee are pushing for a broad reform of the tax code, which they say punishes families, businesses and the working poor.

“The current tax code taxes too much, taxes unfairly, and conspires with our outmoded welfare system to trap poor families in poverty, rather than facilitate their climb into the middle class,” they wrote in a Wall Street Journal op-ed Tuesday. “Our reforms seek to simplify the structure and lower rates.”

The proposed reform would condense the existing tax brackets into a 15 percent bracket and a 35 percent bracket. It would also lower taxes for couples and parents by eliminating the marriage penalty and increasing the child tax credit from \$1,000 to \$3,500.

A third component would reform the corporate tax code, including preventing corporations from being taxed for the same income in two countries, and cutting the corporate tax rate, which is currently at 35 percent.

Their plan would spur economic growth, Lee and Rubio wrote, but would also give Americans more economic freedom as a matter of principle — anticipating conservative criticism that some of the social components won’t promote growth.

Daniel Mitchell, a senior fellow at the Cato Institute, argued in an August op-ed there is little evidence the child tax credit already in place has strengthened families, grown the economy or made middle-income households more secure. Other conservatives have criticized the child tax credit for complicating the tax code and preventing tax rates from being even lower.

Lee and Sen. Rubio wrote that they respect those conservatives, but “it bears remembering that the end goal of economic policy isn’t simply growth, but freedom—clearing the obstacles from each American’s unique pursuit of happiness.”