December 19, 2018

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative:

On behalf of the members of the American Federation of State, County and Municipal Employees (AFSCME), we strongly urge you to oppose the Republican House leadership’s newly revised tax package, the Retirement, Savings, and Other Tax Relief Act of 2018 and the Taxpayer First Act of 2018, which is a House Amendment to H.R. 88. While the tax package differs from November’s version, we are troubled by many regressive provisions that remain in the bill and the lack of progressive policies that should have been added.

It’s troubling, but not surprising, that most of the tax giveaways in the bill benefit the wealthy and corporations. Moreover, the nearly $80 billion price tag will provide yet another excuse for some to propose cutting Social Security, Medicare, Medicaid, education and other vital public services. This tax package is also troubling because of its significant omissions. For example, once again, it fails to provide meaningful assistance to working families or to invest in creating new high road jobs. Furthermore, it fails to repeal key tax loopholes for the wealthy created by the Trump-Republican tax break package (TCJA) enacted in December 2017, which includes the increased $22 million estate tax exemption; decreased top tax rates for millionaires and reduced special rates for pass through business income. Many Americans oppose TCJA because it disproportionately benefits the wealthiest one percent and large profitable corporations and has done almost nothing for working families, which has generated widespread public opposition. This current tax package also fails to close other preexisting tax loopholes that the wealthy and corporations use to reduce their taxes, nor does this bill do anything to make the tax code fairer or more progressive.

While AFSCME supports efforts to repeal the regressive 40 percent tax on worker health benefits, this package’s delay of only one year is too brief—especially compared to the five-year delay of the medical device tax paid by businesses.

AFSCME also opposes this tax package on procedural grounds because once again House GOP leaders rushed it to the House floor and refused to permit Ways and Means committee consideration, hearings, or votes. The House should not consider this package of last-minute tax giveaways without appropriate House consideration under regular order—especially during this lame duck session.

AFSCME urges you to oppose this tax package on the House floor. The wealthy and corporations should pay their fair share of taxes.

Sincerely,

Scott Frey
Director of Federal Government Affairs

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