



## WAYS AND MEANS CHAIRMAN KEVIN BRADY

# The House Republican Tax Reform Blueprint:

*Delivering support to small businesses, farmers, and new homebuyers*

Growing our economy is the central focus of House Republicans' bold tax reform Blueprint. To do that, we have to support the success of small businesses, farmers, and new homebuyers. Here are several key ways our plan takes action to help these job creators and families:

### **Small Businesses:**

- Ensure the fair taxation of business income with a new 25% tax rate on business income earned by pass-through entities.
- Support new investments in machinery, office equipment, buildings and intangible property by allowing immediate expensing of business property.
- Make exports competitive with a border-adjustable system that will lower taxes on American goods and services sold abroad.
- Reduce complexity and compliance costs for business owners by eliminating the Alternative Minimum Tax.
- Eliminate the Death Tax so that family businesses can be passed on to the next generation.
- Create a service-focused IRS that is aligned with the fairer simpler tax code so that business owners can focus on growing their business instead of fighting the tax collector.

### **Farmers:**

- Ensure that farm income is no longer subjected to individual tax rates by providing a 25% tax rate on business income earned through sole proprietorships and pass-through entities.
- Support new investments in farm equipment and facilities by allowing immediate deductions for the full cost of equipment like combines and harvesters and structures like barns and silos.
- Make American agricultural products more competitive globally by eliminating U.S. tax on exports and eliminating effective subsidies on imports.
- Reduce the complexity and compliance costs for farmers by eliminating the individual and corporate Alternative Minimum Tax.
- Kill the Death Tax so that families can pass their farms on to the next generation.
- Create an IRS focused on customer service so that farmers can devote more time to their fields and families, and less to dealing with their taxes.

### **New Homebuyers:**

- Reduce income tax rates and promote savings, so families can keep more of what they earn and save to fund the down payment for a new home.
- Make the tax code simpler, fairer, and more predictable by increasing the standard deduction and eliminating the uncertainty and hassle associated with itemized deductions.
- Provide a tax benefit that recognizes the importance of home ownership.
- Provide tax benefits targeted to education and retirement, two other important life events that also require families to save and invest.