



U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS

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ON MSNBC, FOX, CNN: BRADY TACKLES BIG TAX REFORM QUESTIONS HEAD ON

Brady: "Every American, at every income level, especially the poor and middle class, keeps more of what they earn"

Ways and Means Committee Chairman Kevin Brady (R-TX) took to the airwaves to discuss the House, Senate, and White House's unified tax reform framework, which was released yesterday and will pave the way for legislation President Trump can sign into law this year.

Tackling the big tax reform questions head on, here's what Chairman Brady had to say:

On MSNBC's "MTP Daily": Aren't you raising taxes for lower-income Americans and giving a tax break to wealthier Americans?

*Brady: "Joe Biden, and Al Gore, and John Kerry ... voted with Ronald Reagan to do [what we're proposing]. Like us, they took the 11 percent bracket and made it zero. We take the 10 percent bracket, we make it zero. And then we lowered rates above it, so **every American, at every income level, especially the poor and middle class, keeps more of what they earn.** And when you do that, our economy grows. It's fair, it's flatter. And I'll tell you this, too. I'd put that postcard system up we're proposing. Americans are sick of the special interest provisions, the special loopholes. They want a fairer, flatter tax system."*

On MSNBC's "Morning Joe": How do you respond to studies showing the middle class gets nothing under this framework?

*Brady: "They're wrong ... They're not really looking at both the brackets – which have yet to be filled in – [and] haven't figured in the doubling to the standard deduction. No objective analysis of this does anything but recognize **lower taxes for every income level**, which is exactly why we're doing this tax reform."*

On Fox News' "Your World with Neil Cavuto": Well, who really does benefit from tax reform?

*Brady: "**Those that benefit the most are middle class families** struggling to keep every dollar they earn. A lot of Americans really in the lower income area who pay 12-percent rates today or 10-percent rates today **will pay a zero-tax rate going forward.** And, because we're really going all in on getting our businesses – local businesses – competitive, they're going to see higher paychecks and greater jobs. So that really translates for the middle class of America in a big way."*

On Fox Business' "Lou Dobbs Tonight": Why are you giving big corporations a lower tax rate than small, local businesses?

Brady: *"We're proposing a 40-percent tax cut on local businesses, whether they are smallest mom and pop, just starting out, or the biggest corporation. Both of those are the lowest rates in modern history. But we don't stop there for small businesses. We make sure they can do full, unlimited write-off of capital equipment. We end the death tax permanently for our small businesses. We're going to encourage them to be able to continue to deduct their interest payments. And we're going to make sure that more small businesses can just do simple cash accounting – just a simple way to keep their books. So we're going all in on small businesses because ... they are such a big part of our local economy."*

On CNN with Phil Mattingly: How is tax reform going to be different than health care?

Brady: *"One, make sure the President, the White House, the Senate [are] on the same page early – that's what we're doing on tax reform ... Secondly, the American public is genuinely divided on whether Obamacare works for them or not. But there is no one out there defending the current tax code. There is no one saying 'woohoo, let's have more of this complexity, and cost, and special loopholes for some. They really want it simplified. They want to keep more of what they earn. So, we start from a completely different position, I think, than in health care."*

On MSNBC's "MTP Daily": The Senate had decided to do this through reconciliation – telling Democrats you don't need them. Doesn't this limit your ability to get a bill passed?

Brady: *"Let me respectfully but strongly disagree here. All reconciliation says is that no one party can obstruct this process. In fact, not only does it not preclude Democrats from working with us on this issue, it really says **any Democrat who's serious about lowering taxes, simplifying the code, bringing our jobs back, we are serious about working with you**, and they can make a huge difference ... We have a number of centrist Democrats [in the House] – sort of JFK-style Democrats – who see the same problems we do. We're listening very carefully to them and we're hopeful we can put their ideas in this plan."*

On Fox Business' "Mornings with Maria": The skeptics are asking if you can really get a bill of this magnitude passed. Are you expecting this framework to be scaled back?

Brady: *"I don't. And here's why: **there's a reason why we worked with the President, the Senate, and the House together on this. This is bold. It is transformational. But it's achievable.** And it can move us toward a balanced budget because we are proposing almost a 40-percent tax cut for every local business – no matter what your size or how you're structured ... we're proposing a simple and fair postcard-style system that really helps families keep more of what they earn. And look – we redesign the code, so our companies can compete and win anywhere in the world, especially here at home. Those are big, bold changes. **That's exactly what we need to get this economy jump-started.**"*

On MSNBC's "Morning Joe": Are all of these tax cuts going to balloon the deficit?

Brady: *"These are significant tax cuts for our local small businesses, for middle-class families to get this economy going, because we know what we have for a tax code now isn't working. But what isn't being analyzed is that one, we get strong economic growth – as we did with President Kennedy and President Reagan working with Democrats on tax reform. But also, just as we're proposing this simpler, fairer postcard-style system, we're proposing to eliminate a lot of special interest provisions, deductions, and loopholes so we can lower those tax rates for everyone. So, **we want tax reform to move us toward a balanced budget. We do that through growth and eliminating a lot of loopholes.**"*