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Dems' Reconciliation Bill Cuts Taxes for Top 5 Percent, Hikes Taxes on Middle Class

Democrats are providing a hefty tax giveaway to the top 5 percent in their reconciliation bill while hiking taxes on 20-30 percent of middle-income earners, according to [new analysis](#) from the liberal Tax Policy Center.

Their findings:

- 66 percent of taxpayers earning over \$1 million in income [get a tax cut](#), averaging \$17,000.
- 78 percent of taxpayers earning between \$500,000-\$1 million in income get a tax cut, averaging \$8,500.
- Overall, taxpayers in the top 5 percent have [a tax cut](#) of \$32 billion.
- 20-30 percent of middle-income households would have a tax hike in 2022.
- 27 percent of taxpayers with \$75,000 and \$100,000 in income have a tax increase.
- 19 percent of taxpayers earning between \$50,000 and \$75,000 income have a tax increase.

The Committee for a Responsible Federal Budget [notes](#) that providing wealthy Americans a special SALT tax carveout would “the benefit of SALT cap relief for millionaires under Build Back Better will be nearly 50 times as large as the benefit of the expanded child tax credits for a typical family over five years.”

The Tax Policy Center also calls out the gimmicks in the Democrats' bill: “Finally, analyzing the House Democrats' plan is especially complicated because the effective dates of its many tax provisions vary widely. While TPC usually tries to show the effects of tax bills for a year when all tax changes are fully effective, **there is no year when all of the BBB provisions would apply.**”