

Tell your Senators to vote NO on the tax bill, which eliminates many deductions impacting brain injury and will result in cuts to entitlement and discretionary programs to pay for the tax cuts.



**ACTION ALERT!**

## *Urge Your Senators to Vote NO on the Senate Tax Bill!*

The Senate is still planning to vote this week on its tax reform bill, "The Tax Cut and Jobs Act," which will result in a \$1.5 trillion increase in the federal debt, putting pressure on Congress to reduce federal spending in order to pay for the proposed tax cuts. The U.S. House of Representatives passed its version Nov. 16. While there are differences between the two versions, which will need to be ironed out in conference, both bodies reduced or eliminated tax deductions including: medical expenses (House); repeal of the disabled access credit (House); repeal of the Work Opportunity Credit impacting individuals with disabilities (House); low income housing credits; reducing incentives for charitable giving; teacher spending for classroom supplies; and interest on student college loans. Furthermore, the Senate eliminated the individual healthcare mandate penalty, which would result in 13 million Americans becoming uninsured..

### **What Are the Worst Things About Tax Cuts and Jobs Act?**

#### **1) Loss of Revenue that Sets the Stage for Cuts to Essential Programs.**

The House and Senate bills reduce federal revenue by about \$1.5 trillion over 10 years because it does not pay for the tax cuts proposed. Passing a large tax reform bill that increases the deficit by this size will make it easy to justify spending cuts down the road. In fact, a few members of Congress have recently indicated their intent to do so. This is not surprising given that cuts of over \$5 trillion to Medicaid, Medicare, Social Security, and many other critical programs are spelled out in Congress's Fiscal Year 2018 Budget Resolution, a planning document for the decade ahead.

**2) Tax Cuts That Aren't Paid For Will Trigger Automatic Cuts in Medicare and Other Programs for People with Disabilities.** A 2010 law referred to as the Statutory-Pay-As-You-Go (PAYGO) Act requires that any legislation that reduces revenues, like the tax bill would, to pay for itself so it does not increase the budget deficit during certain time periods. The House and Senate tax bills do not pay for themselves so they would trigger automatic cuts as soon as 2018. *The size of the deficit created by the tax proposals would require cuts so big some programs people with disabilities rely on could be eliminated, including State Vocational*

*Rehabilitation basic State grants, the Social Services Block Grant (including meals on wheels and foster care funding), and the affordable housing program. Medicare would be cut by \$25 billion in 2018 alone and PAYGO would require larger and larger cuts in Medicare each year after that.*

### **3) Tax Cuts that are Skewed Toward Wealthy Individuals and Large Corporations.**

People with disabilities are twice as likely to experience poverty, and people with low-incomes are more likely to have personal or family experience with disability.

The nonpartisan Joint Committee on Taxation shows that under the Senate plan, taxes on American families earning \$10,000 to \$75,000 would actually increase by 2027, while tax revenue from corporations, estate taxes, and individuals with high incomes would decline substantially. Filers earning less than \$30,000 per year never get a tax cut. And it gets worse every year, so that every group that makes less than \$75,000 will pay more in 2027 than they do today.

**4) Loss of Health Care and Bad Changes to Tax Breaks.** There are some very important differences between the two bills. But unless the House accepts the Senate bill without changes, the House and Senate will need to negotiate changes (whether through discussions or a formal conference committee), so all of the harmful provisions in either bill are still in play until a final bill is passed.

**5) False Promises About Tax Cuts Paying for Themselves.** Supporters of the House and Senate tax bills say that the bills will pay for themselves because they will stimulate the economy and cause economic growth to increase significantly. But tax cuts in the past have *never* paid for themselves and no evidence exists that these tax cuts will be any different. In fact, recent analyses find the opposite to be true. For example, according to the Tax Policy Center, the Senate bill would only generate a small fraction of increased economic activity needed to make up for the revenue loss - only \$169 billion in revenue through new growth over the next decade, well short of the \$1.4 trillion the bill adds to the deficit.

This finding was shared by the conservative Penn-Wharton Budget Model and the Committee for a Responsible Federal Budget. Read more here. We also know from recent and historic examples that tax cuts have often not yielded promised results and have instead resulted in increased deficits and harmful programs cuts. The Kansas tax cuts provide a cautionary tale. Finally, a recent survey of 38 respected economists found that the tax plans being considered would cause U.S. debt to increase significantly.

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### **Take Action!**

The Senate is scheduled to vote on the tax reform bill this week. **Call your Senators today.** Call the Capitol Switchboard number 202-224-3121 and ask for your Senators.

### **What to Say:**

- I am a constituent and a member of (organization)..
- Please vote **NO** on the 2018 Senate tax bill.

- The tax bill will pave the way for cuts to Medicaid, Medicare, Supplemental Security Income (SSI), education, research, TBI funding and other critical programs for people with disabilities, including individuals with brain injury, to help pay for these tax cuts.
- Tax cuts should benefit all citizens and should not be made by cutting programs that support people with brain injury and other low income individuals in the community.

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Please feel free to forward and share with disability advocates, families and individuals with brain injury in your State.

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