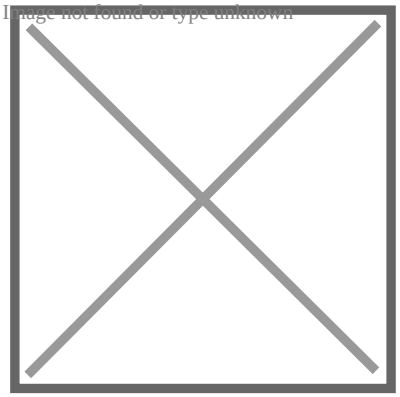
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U.s. Bishops' Chairman Greatly Disappointed by House Passage of Tax Bill That Harms Poor, Many Families

Description

WASHINGTON— Bishop Frank J. Dewane of Venice, Florida, chairman of the U.S. Conference of Catholic Bishops' Committee on Domestic Justice and Human Development, expressed "great disappointment" over the House of Representatives' passage of the deeply flawed *Tax Cuts and Jobs Act*, calling on the Senate to work toward legislation that fixes the problems with H.R.1. The full statement reads as follows:

"It is greatly disappointing that the U.S. House of Representatives ignored impacts to the poor and families—including those who welcome life through adoption or have more than three children—and passed the *Tax Cuts and Jobs Act* without needed changes. According to the nonpartisan congressional Joint Committee on Taxation (JCT), this bill raises taxes on the working poor beginning in 2023, and simultaneously gives large tax cuts to millionaires. The November 9 letter of the USCCB detailed the many deficiencies in the House bill, including the elimination of the personal exemption, which will hurt larger families, and the repeal of the out-of-pocket medical expenses deduction, which will harm those with serious and chronic illness. While we are grateful that the House restored the adoption tax credit, it still repeals an important exclusion for families assisted by their employer to adopt children in need, and eliminates incentives for charitable giving. For families working hard for economic security, the bill eliminates the Work Opportunity Tax Credit, and tax relief for persons paying for tuition and student loans, as well as those who retire on disability, among other things.

While H.R. 1 takes an important step toward strengthening parents' ability to choose a school that best suits their child, its repeal of important provisions that aid both teachers and students in non-government elementary and secondary schools should be reversed.

The Senate is currently debating its bill, and the USCCB will release a more detailed analysis shortly. The Senate must act decisively to avoid the deficiencies in the House legislation, and craft a final bill that affirms life, cares for the poor, and ensures national tax policy aimed at the common good. Right now, the Senate bill does not eliminate many of the tax benefits that the House bill does, and this is commendable. However, the Congressional Budget Office (CBO) wrote on November 14 that the $1.5 trillion deficit that is created over 10 years will require spending cuts, and much of these will likely come from programs that help the poor. The Senate bill does not include a needed 'above-the-line' charitable deduction, the omission of which will result in up to a $13 billion annual decrease in

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charitable giving.

Senate legislation has also been scored by the JCT as raising taxes on the working poor while giving large tax cuts to millionaires. In addition, the Senate proposes to cut additional tax benefits that help working families, and these must be fully understood. It is laudable that the Senate tries to incentivize paid family and medical leave, but the provision is designed to sunset at the end of 2019. Although the Senate bill further expands the child tax credit, the elimination of the personal exemption will cause a net loss for larger families.

The Senate must work to ensure a legislative process characterized by integrity, one in which Americans can fully understand the implication of tax proposals which will be voted upon. It must also seek to pass a law that demonstrates that our nation prioritizes care for the most vulnerable among us."

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