

Johnson says he'll vote to approve Senate tax bill

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Votes surrounding the U.S. Senate GOP tax bill will continue today, following a day of debate.

The chamber's Republicans had voted Wednesday night to kick-start debate, with U.S. Sen. Ron Johnson, R-Oshkosh, joining all GOP senators in supporting the motion to proceed, while U.S. Sen. Tammy Baldwin, D-Madison, and Dems voted against it.

Johnson has previously expressed concerns about the bill's tax treatment of pass-through entities — which file their tax returns as individual filers — compared to corporations.

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While it was initially unclear how Johnson would vote on the Senate bill, he told conservative talk show host Jay Weber this morning he reached an agreement late last night with Senate leadership, meaning the bill likely has the 50 votes needed to clear the chamber.

“We'll still be able to pass it and I think that's one of the reasons Senate leadership did a deal with me, realized what I was talking about was an incredibly legitimate concern,” he said, adding U.S. Sens. Bob Corker, R-Tenn., and Jeff Flake, R-Ariz., have still not agreed to the bill's final version.

Under the deal, the deduction level for pass-throughs would increase from 17.4 percent to 23 percent, meaning under the change, pass-throughs would only pay taxes on 77 percent of their income — a “complicated way to achieve a lower rate,”

Johnson said.

That would give those pass-throughs a basic effective rate of just under 30 percent, he said.

Meanwhile, the change would also include “generous” transition rules for pass-throughs to become corporations. And Johnson would also get a seat at the table when the House and Senate versions of the bill are reconciled — specifically in regards to how pass-throughs are treated.

On a media call with Wisconsin reporters this afternoon, Johnson dismissed the Joint Committee on Taxation analysis of the bill, which showed it would add \$1 trillion to the national deficit over a 10-year period after factoring in economic growth.

Calling it “a joke,” Johnson predicted the bill would decrease the deficit at a higher rate than the committee projected “because it will provide the economic growth that will increase revenue.”

Hear the Weber interview:

https://www.iheart.com/podcast/477-WISN-Clips-28429450/episode/senronjohnson-confident-the-tax-bill-28696857/?episode_id=28696857&autoplay=true

— *This story has been updated as of 3:45 p.m.*