

Sen. Baldwin: Proposes amendments to Republican tax bill

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Contact: press@baldwin.senate.gov
(202) 224 - 6225

WASHINGTON, D.C. – U.S. Senator Tammy Baldwin today introduced four separate amendments to the Republican tax bill in the Senate.

“I think we need to make our tax system simpler and fairer for hardworking families, small businesses and manufacturers. That is what I have been working for,” said Senator Baldwin. “But the Republican plan is a tax giveaway to the top 1% wealthiest few and powerful corporations. This partisan legislation lets Wall Street keep a tax loophole while most Americans earning less than \$75,000 a year would see tax increases. That’s not right and it’s not fair.”

Baldwin’s amendments include closing the carried interest tax loophole by ensuring that income earned by managing other people’s money is taxed at the same ordinary income tax rates as the vast majority of working Americans.

President Trump has repeatedly promised to close the loophole, saying, “We will eliminate the carried interest deduction and other special interest loopholes that have been so good for Wall Street investors, and for people like me, but unfair to American workers.” On May 1, 2017, after being asked why his tax reform outline didn’t specifically mention carried interest after campaigning on its closure, the President responded by saying, “It’s out. Done...carried interest was great for me, but carried interest was unfair and it’s gone.”

In September, Senator Baldwin called on President Trump to make good on his pledge to close the carried interest tax loophole and act on her Carried Interest

Fairness Act. And earlier this month, she sent a letter to Chairman Hatch urging him to keep President Trump's promise to close the carried interest tax loophole. In May, Senator Baldwin re-introduced the Carried Interest Fairness Act to end the carried interest tax loophole to ensure that income earned by managing other people's money is taxed at the same ordinary income tax rates as working Americans.

The Senate Republican tax bill fails to close the tax loophole for money managers on Wall Street.

"I want to see loopholes closed — like the ones that favors Wall Street hedge funds and allows them to pay a lower tax rate than many Wisconsin workers pay. It's simply unfair for Wisconsin workers to pay a higher tax rate than a millionaire on Wall Street," said Senator Baldwin. "I have legislation to close the carried interest tax loophole for the wealthy on Wall Street but this partisan tax legislation lets billionaires on Wall Street keep their loophole. If Senate Republicans want to help President Trump keep his promises to the American people, they will support my amendment."

This year Senator Baldwin has introduced a number of tax reforms aimed at bringing tax relief to working families, start-ups, small businesses and manufacturers in Wisconsin. Today, she will be offering these reforms as amendments to the Republican tax bill in the Senate.

The Stronger Way Act would provide tax relief to working families by expanding the earned income tax credit and child tax credit.

"This tax reform rewards hard work and helps raise incomes by allowing workers to keep more of what they earn. The Stronger Way Act strengthens the Earned Income Tax Credit and Child Tax Credit for working families," said Senator Baldwin. "It also helps move the unemployed into the workforce by creating a new federal-state partnership to invest in local jobs programs that will help raise incomes for working families."

The 21st Century Manufacturing Act would provide tax relief to manufacturers so they can invest in research and development, create jobs and help drive economic growth.

"In order to maintain our strong Made In Wisconsin manufacturing economy, we

need to provide tax relief to manufacturers so they can invest in innovation and create jobs,” said Senator Baldwin. “This tax reform will encourage manufacturers all across our state to invest in research and development and help drive economic growth for years to come.”

The Support Our Start-Ups Act provides tax relief to small business start-ups so they can invest in growing their business and creating jobs.

“Wisconsin has a proud history of entrepreneurship and innovation, but recent reports show that we need to do more to support our Made in Wisconsin start-ups,” said Senator Baldwin. “Wisconsin’s small businesses need a tax break and that’s what I’m working for. Small businesses are the engines of our economy and if we provide tax relief to start-ups, we can free up investments to create jobs and grow our economy.”

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