

U.S. Rep. Grothman: Supports Tax Cuts for American Families and Businesses

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(Washington, D.C.) – Congressman Glenn Grothman (R-Glenbeulah) today issued the following statement after voting in favor of the Tax Cuts & Jobs Act to modernize the tax code, make America’s business climate more competitive and deliver tax relief to American families and workers.

“The Tax Cuts & Jobs Act is good for the American people and encourages a strong economy.

“I feel the tax cuts in this version of the bill are targeted at the working middle class – a change from original proposals – and I feel like my voice was heard in making these changes. I’m especially happy that House and Senate leaders reinstated the medical expense deduction, a deduction used by folks in the most dire of circumstances.

“The bill also shifted from a bill that benefited investors to one that more targets working people. The changes in the conference bill regarding state and local taxes will be of particular benefit to Wisconsin taxpayers, and virtually all taxpayers who make less than \$100,000 should receive a tax cut.

“I’m glad we’re standing up to Wall Street hedge managers in this bill by working to close the carried interest loophole. This change is needed in order to ensure that that these managers do not pay a lower rate on their commission income. I look forward to making further changes in this area.

“Additionally, since I got this job, I have worked to reduce fraud in the Earned Income Tax Credit and the Child Tax Credit – something this bill also addresses.

“Above all, the goal of tax reform is to improve the economy by lowering business taxes to stimulate spending and job creation and modernizing our country’s international tax system. Everyone should remember that personal retirement accounts and pensions will also benefit from the passing of this bill – as we have already seen in the historic gains of the stock market over the past year in anticipation of passage.

“It is frustrating that I tried to work with Democrats, especially on the estate tax, to ensure it was as bipartisan a bill as possible. But, I believe many members of the other party just decided to vote ‘no’ and not be part of the process.

“It’s also especially frustrating that Democrats are critical of lowering the corporate tax rate considering President Obama asked Congress to do just that in 2012, even including a preferential rate for manufacturing. Our current corporate tax rate is the highest in the industrialized world at 35 percent. By lowering it to 21 percent, we make the U.S. more competitive for business.

“It just goes to show that Democrats are focusing on partisanship over American workers and families. I do hope my Democratic colleagues have a change of heart, and I look forward to working with them on the technical corrections bill which will be taken up in the spring.”

The Tax Cuts and Jobs Act passed the House by a vote of **227-203**.

Background

The Tax Cuts and Jobs Act benefits individuals and families by lowering individual taxes and expanding tax brackets; expanding the Child Tax Credit; eliminating the Obamacare individual mandate penalty tax so that families can make the health insurance decisions that are best for them; retaining retirement savings options like 401(k)s and Individual Retirement Accounts; continuing to allow people to write off the cost of state and local taxes up to \$10,000; and expanding the medical expense deduction, among other measures to make the tax code simpler and fairer.

Additionally, a typical family of four earning the median family income of \$73,000 will receive a tax cut of \$2,059 with this bill.

The Tax Cuts and Jobs Act benefits job creators and stimulates the economy by lowering the corporate tax rate from the highest rate in the industrialized world and making the U.S. more competitive for business; protecting the ability of small businesses to write off interest on loans to help them to expand their businesses; modernizing our international tax system; and preventing American jobs, headquarters and research from moving overseas by eliminating incentives that reward companies for moving operations overseas, among other measures to put more money back in the pockets of small business owners and make the U.S. business climate more competitive globally.

For a detailed summary of what's included in the bill, please click [here](#). To read the text of the bill in its entirety, please click [here](#).