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Cindi Duchow: Tax cuts are evidence of roaring economy

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As evidenced in the recent State of the Union address, tax cuts are a historic win for this country. If there is one thing all Americans can agree on, it is the need for a strong, healthy economy.

The International Monetary Fund released a report stating the U.S. economy is expected to grow by an additional 2.7 percent in 2018, giving Americans the economy they both need and deserve. With this additional growth, individuals and families can feel more secure in their jobs, incomes, and financial decisions.

Under the Obama administration, U.S. economic growth averaged under two percent annually, leading to slow job creation, stagnant wages, and an increase in the national debt. Fortunately, we are already seeing a reversal of this downturn under President Trump.

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The Associated Press recently reported companies are “paying their workers higher wages and salaries in the latest signs that the U.S. economy continues to improve.” And what do we have to thank for the growing economy? The new tax legislation.

Latest estimates from Americans for Tax Reform show well over three million individuals have already been positively impacted by the Tax Cuts and Jobs Act. Companies of all sizes are providing extra support to their employees thanks to the relief congressional Republicans and the White House provided them.

We are seeing encouraging examples on both a national level and here in

Wisconsin. Walmart is America's largest job creator, employing over two million individuals across the country. The company is now using its tax savings to increase starter wages to $11 an hour and provide extra bonuses of up to $1,000, in addition to creating a $5,000 adoption benefit and expanding maternity leave benefits.

And on a more local level, Wintrust Financial Corporation, which has 19 branches in Wisconsin, said it is expecting to give more than 600 employees a pay raise and increase starter wages to $15 an hour.

The impetus for these decisions? The Tax Cuts and Jobs Act.

But large corporations aren't the only beneficiaries of these new tax cuts. The legislation was also a win for Main Street America.

Under the strains of the previous tax code, small businesses were expected to relinquish nearly 40 percent of their earnings in federal taxes alone. Fortunately, the new bill includes a 20 percent deduction for all small businesses earning under $315,000 annually. IRS data points to this threshold covering roughly 95 percent of all small businesses across the country, allowing almost all of our nation's leading job creators to take full advantage of their tax savings—and reward their employees.

Not surprisingly, the tax bill's positive impact is translating into public support. According to a recent poll conducted by the Job Creators Network, nearly 70 percent of small business owners have a favorable view of the tax cut legislation and close to 60 percent believe its new provisions will help their business.

Considering small businesses are responsible for a net two-thirds of all new private-sector job creation, passing this legislation was imperative. In Wisconsin alone, small businesses employ over 50 percent of the workforce, or over one million people. The success of these entrepreneurs is vital to the success of Wisconsin's overall economy.

Tax cuts work, and if you don't believe me, believe the roaring economy.

— Duchow, R-Delafield, represents the 99th Assembly District.