

U.S. Sen. Baldwin: Helps introduce bipartisan legislation to undo tax hike on Gold Star families

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WASHINGTON, D.C. — U.S. Senator Tammy Baldwin today joined her Senate colleagues, led by Senators Bill Cassidy, M.D. (R-LA) and Doug Jones (D-AL), to introduce legislation providing tax relief for children receiving benefits who have lost a parent serving in the military.

“Wisconsin’s Gold Star families have sacrificed so much for this nation and the freedoms we all cherish,” **said Senator Baldwin.** “This bipartisan legislation is a much-needed fix to the 2017 law that unfairly raised taxes on these hardworking families.”

“This bipartisan legislation helps those who lost a husband or wife, a father or mother, serving in the military to protect us. This legislation fixes an unintended problem and lessens the taxes of the surviving spouse,” **said Dr. Cassidy.** “The Tax Cut and Jobs act has helped millions. I thank Democratic colleagues for joining to improve the law and ensure more Americans benefit.”

“Gold Star families have given more to our country than most of us could ever imagine. While we can never repay their immense sacrifices, we do make a solemn commitment to care for them,” **said Senator Jones.** “Unfortunately, thousands of these widows and widowers are currently denied the full benefits they’re due, which forces many to resort to putting some of these benefits in their children’s names. To

significantly raise taxes on those children's benefits is unconscionable, and I am proud to join with my colleague Senator Cassidy to propose legislation to correct this egregious mistake. It is a first step toward honoring our commitment and making these families whole financially."

The Trump tax law made a change that resulted in children who lost a parent serving in the military paying more taxes on Survivor Benefit Plan benefits, an annuity administered by the Department of Defense. Before the tax law, survivor benefits were taxed at the rate of the child's parents, but under the tax law signed by President Trump, they are now taxed at the same rate as a trust or estate. This bill would fix the issue by taxing the survivor benefit at the child's individual tax rate, rather than the higher rate.

Senators Michael Bennet (D-CO), Richard Blumenthal (D-CT), Sherrod Brown (D-OH), Richard Burr (R-NC), Bob Casey (D-PA), Catherine Cortez Masto (D-NV), Mike Crapo (R-ID), John Cornyn (R-TX), Tom Cotton (R-AR), Ron Johnson (R-WI), Steve Daines (R-MT), Chuck Grassley (R-IA), Maggie Hassan (D-NH), Johnny Isakson (R-GA), Angus King (I-ME), Amy Klobuchar (D-MN), Bob Menendez (D-NJ), Patty Murray (D-WA), Gary Peters (D-MI), Pat Roberts (R-KS), Tim Scott (R-SC), Kyrsten Sinema (D-AZ), Jon Tester (D-MT), Pat Toomey (R-PA), Mark Warner (D-VA), and Ron Wyden (D-OR) are also cosponsors of the legislation.

An online version of this release is available [here](#).