

June 23, 2016



As organizations representing taxpayers, Tea Party activists, limited government conservatives, libertarians, and Americans across all 50 states, we write in opposition to the radical agenda proposed by Big Labor's latest campaign, "Take on Wall Street."

AMERICAN COMMITMENT



This campaign is a thinly-veiled attempt to push a radical liberal agenda on the electorate under the flimsy guise of fighting monied interests on Wall Street. Nothing could be further from the truth – this plan is really about restricting the ability of Americans to access important investment and retirement advice to the benefit of big labor interests.

Their agenda is a five-point recipe for financial ruin. It includes:



Forcing the most disadvantaged to bank with the United States Post Office (USPS). Many low income Americans don't have access to banking services and decide to borrow from check cashing and payday loan businesses in their communities. Rather than promote time-tested, conventional banking options for the poor, Big Labor is pushing the ridiculous idea that the USPS should take on banking services for low income Americans. They want to have the government shut down private business and instead direct the poor to the local post office for banking needs. They even want them to be able to receive car loans at the post office. One Obamacare is quite enough--we don't need Obamacare for banks, too. If there's one thing most Americans know, it's that the USPS is the last place you'd want to keep your money. Yet that's exactly what Big Labor wants low income Americans.



Raising capital gains taxes. The ultimate goal of the Left is to tax all capital gains as ordinary income. They are content to do this one piece at a time. Their first target is taxing carried interest capital gains at higher rates. This would hurt pension funds, charities, and colleges that depend on these investment partnerships as part of their savings goals. It would also hurt small businesses who would find themselves increasingly shut out from investment money available to them from these partnerships.



Creating a financial transaction tax. Big Labor also wants to create a brand new kind of tax that does not exist today. Sometimes known as a "Tobin tax," a financial transaction tax would put a levy on every single financial transaction done every day. This would even include simple actions like investing in an IRA or saving for a child's college in a 529 plan.



Allowing the government to rip apart banks. "Breaking up the big banks" is a rallying cry of socialist Presidential candidate Bernie Sanders and at Big Labor





conventions, but it makes no sense in the real world. A better solution would be ending “Too big to fail” and allow the free market, not big government to decide whether a business is too big or too small. Government's job is to fairly enforce basic laws and generally get out of the way of the market.

Imposing a tax hike "wage control" on CEOs. The government should not be allowed to tell businesses how much they can pay their employees, but that's exactly what Big Labor wants to do by limiting the tax deductibility of CEO compensation. This was tried in the 1993 Clinton tax hike and resulted in an explosion in stock options, something Big Labor now also laments. The simple fact is it's not the government's job to say how much is too much to pay talent--that's the job of shareholders.

This five-point plan is completely divorced from reality. It is radical, out of touch, and would take our nation in the wrong direction.

Sincerely,

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