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March 14, 2018

The Honorable Rodney Davis United States House of Representatives 1740 Longworth House Office Building Washington, DC 20515

Dear Congressman Davis:

I write in support of H.R. 4886, the Permanent Tax Cuts for Americans Act. This important legislation makes the individual tax cuts from the Tax Cuts and Jobs Act permanent, ensuring that 90 percent of American families continue to see tax reduction after 2025.

Between 2018 and 2025, American families and individuals will see tax reduction totaling \$1.17 trillion because of the Tax Cuts and Jobs Act. This year, a family of four, earning the median income of \$73,000 will receive a <u>tax cut</u> of more than \$2,000. Similarly, a single parent with one child earning \$41,000 per year will see tax reduction of 73 percent, resulting in a \$1,304 tax cut.

Despite these strong benefits, the individual tax reduction is scheduled to sunset starting 2026 because of procedural constraints lawmakers faced when passing tax reform.

The Permanent Tax Cuts for Americans Act addresses this problem by making several important parts of the Tax Cuts and Jobs Act permanent including:

- The doubling of the standard deduction from \$6,000 to \$12,000 (\$12,000 to \$24,000 for a family) A \$690 billion tax cut between 2018 and 2025.
- The reduction of almost every income tax bracket, with the top bracket dropping from 39.6 percent to 37 percent A \$1.2 trillion tax cut between 2018 and 2025.
- The doubling the Child Tax Credit from \$1,000 to \$2,000 per child A \$533 billion tax cut between 2018 and 2025.
- The 20 percent deduction for businesses organized as pass-through entities A \$388 billion tax cut between 2018 and 2025.
- The doubling the death tax exemption to \$11 million A \$69 billion tax cut between 2018 and 2025.
- The increase to the Alternative Minimum Tax exemption so that it only hits families earning more than \$1 million a \$572 billion tax cut between 2018 and 2025.

All members of Congress should support the Permanent Tax Cuts for Americans Act. Republican lawmakers can build on the success of tax reform by supporting this legislation. On the other hand, Democrats that have criticized the fact that the individual tax cuts in the Tax Cuts and Jobs are temporary have a chance to fix this problem by voting for this legislation.

Onward,

Grover G. Norquist

President, Americans for Tax Reform