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July 18, 2017

Wyden Statement at Finance Committee Hearing on Tax Reform
As Prepared for Delivery

Let me begin by saying that everybody here is wishing Senator McCain a full and speedy recovery from his recent surgery. John McCain is tougher than just about anybody out there, so I'm sure he'll be back in these halls soon.

It is hard to imagine a member of Congress, Republican or Democrat, who would stand up before a crowd at a business or town hall meeting at home and say "I'm a big fan of the tax system on the books." Insanely complicated, riddled with sweetheart deals, and plagued by the inversion virus, I don't find many members of Congress that argue for the tax status quo.

What's needed is bipartisan tax reform that focuses on progressivity, helping the middle class, cleaning out flagrant tax loopholes, fiscal responsibility, and giving everybody in America the chance to get ahead. In short, bipartisan tax reform would build on key principles that brought Democrats and Republicans together for major bipartisan tax reform slightly more than three decades ago.

Unfortunately, in the first months of this administration, the majority party has not shown any interest in such an approach. Before his confirmation, Secretary Mnuchin debuted the Mnuchin Rule -- no absolute tax cut for the wealthy. In my view, it's fair to say that stirred quite a bit of interest on this side of the aisle. But it wasn't long before Secretary Mnuchin and the Trump economic team were making a full-scale retreat from that principle.

The administration's one-page plan of tax reform bullet points gave the fortunate few a lot of detail about how their taxes would be cut. Not so for working Americans and the middle class. In fact, independent analyses said millions of working Americans were in line for a tax increase under the Trump plan. Furthermore, in the last few weeks, the Treasury Department has begun to wipe out tax rules designed to crack down on corporate inversions, protect jobs and close estate tax loopholes. But without a plan waiting in the wings to replace those rules, that means the Treasury Department is risking a new outbreak of the inversion virus, putting jobs at risk, and condoning tax avoidance.

Here in Congress, there are widely circulated pictures of a meeting of a group called the "Big Six" comprised entirely of Republican Senators, Representatives and Trump officials. Republican members have already telegraphed a plan to transplant the Trumpcare tax breaks for the wealthy into a big, regressive tax cut package later this year. And majority leadership in the Senate has signaled that they plan to move tax legislation with the same my-way-or-the-highway approach called reconciliation they're using to force a vote on Trumpcare. It's hard to look at that evidence and find any proof that the majority party wants real Democratic involvement in tax reform.

Anybody can write a bill that slashes tax rates for the fortunate few and the biggest corporations, and it might even get enough support to become law. It's not a great way to provide certainty and predictability needed to create good-paying jobs and expand economic opportunity, but it is a great way to create tax windfalls for the wealthy.

I've written two comprehensive, bipartisan tax reform bills, and the core principle that I brought to both was that tax reform needed to give everybody a chance to get ahead.

That only happens with a tax system that retains the progressivity that has been the hallmark of all modern tax reforms. Tax reform that drives economic growth by putting money in the pockets of wage-earning Americans only works if tax reform is lasting and bipartisan. I look forward to hearing from our witnesses today about how lessons from past tax debates could help promote real bipartisan tax reform today.

Finally, there is one last issue that needs to be raised this morning. There's no question that tax reform is an important subject. But the dominant business before the Senate at for the last several weeks has been health care. And now the partisan approach to jam through a bill that raises premiums, hurts those with pre-existing conditions and slashes Medicaid has failed for a second time. This ought to be a sign that Trumpcare just isn't the answer, that repealing the ACA isn't the answer, and that the majority should work with Democrats on the big health care challenges facing the country.

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