Will the House and Senate Put the American People First with Tax Relief?

This week could be an important milestone for the House and Senate tax reform bills, as the House prepares for a possible vote on its bill as early as Thursday evening.

The Senate has its own version of a tax reform bill, but nationally syndicated host and biblical stewardship authority Dan Celia says the House bill makes more sense for the American people. However, a bright spot in the financial headlines is that the Senate bill now includes a repeal of the Affordable Care Act individual mandate.

For many months, Celia has communicated the importance of tax reform as the nation’s No. 1 economic issue that will impact millions of Americans and small-business owners. He has been watching the development of the bills closely and informing his millions of listeners and viewers on the daily, three-hour “Financial Issues” program.

“The delay of the corporate tax cuts sent a message of dissension instead of unity over tax reform,” Celia said. “And that’s exactly what we’re seeing—dissension—which will, in the long run negatively impact the American people. Unfortunately, a great deal of contrast currently exists between the House and Senate bills, as they approach this important economic issue from completely different agendas. Plus, the delays we’ve seen have only given lobbyists more time to weigh in with their input and sway the decision-making process in their favor. When will our lawmakers realize they are working for Americans and American businesses, not lobbyists and special interest groups?”

One of the biggest roadblocks has been Senate leadership, Celia said, with Senate Majority Leader Mitch McConnell seemingly committed to the status quo and "business as usual," unwilling to think outside the box for the good of millions of Americans.

Celia added that although the House bill changes by the hour, it is the one that will be most beneficial to the greatest number of Americans. *Bloomberg* is providing up-to-the-minute coverage on the progress of both bills.

The *Wall Street Journal* reported Wednesday that Senate Republicans have attached a provision to their tax overhaul that would repeal the mandate. President Donald Trump has also called for repeal of the mandate, but hasn't demanded it. House members have been upbeat this week, confident their bill will pass, *Politico* reported.

Politico also added that Trump will visit the House to advocate for the bill on the heels of his 12-day trip to Asia, tweeting: "Excited to be heading home to see the House pass a GREAT Tax Bill with the middle class getting big TAX CUTS!"

Celia said several benefits of the House bill exist:

- Cuts the corporate tax rate to 20 percent in 2018. (The Senate bill delays to 2019.)
- Reduces the number of tax brackets from seven to four—12, 25, 35 and 39.6 percent. (The Senate bill keeps seven brackets.)
- Doubles the standard deduction to $12,000 for single filers and $24,000 for married couples. This would simplify "doing your taxes" because many of the personal deductions would not be needed. (The Senate bill does the same but adds an $18,000 deduction for single parents or heads of household.)
- The House bill would generally eliminate state and local tax write-offs but keep a maximum $10,000 deduction for property taxes. The Senate bill would get rid of the ACA

> individual mandate, which is great news, Celia said, because the Senate will hopefully they will use that savings to start new 20 percent corporate tax rate in January. Celia added that final bill that would cap SALT deductions would be a wise compromise.

Celia also said that additional important points will be to eliminate all subsidies and anything that looks like "corporate welfare," including Obamacare subsidies for legislators and their staff members. Charitable and mortgage interest deductions should also be retained, he said, and the estate tax should be eliminated because it is, indeed, double taxation.

"Few people realize how much health care reform and tax reform are interwoven," Celia said. "President Trump could have moved along the process by cutting the subsidies for members of Congress for health care and repealing the individual mandate through executive orders. This would have at least taken some lobbyists out of picture and would have let Congress know he meant business. The president's entire goal was originally to reduce the corporate tax rate, but somehow that evolved into ways to increase individual gain. If the corporate tax rate had been the sole focus this year, individual tax reform would have been extremely easy next year because the economy would be thriving.

"But these bills are getting further and further apart," Celia continued, "and too many people are making millions of dollars off the complexity of the codes. The American people have to rise up and get rid of those not doing their jobs. Voters are in a place similar to last November. They are fed up with being fed up. They're sick of being sick and tired. After being encouraged by their power in the 2016 election, they see now that they can make a difference. Unfortunately, the tax debate will likely get worse before it gets better. I am still optimistic and give tax reform a 40 percent chance of being passed this year, but the delays must stop and the complications must be put to an end."

Last week, Celia talked about surging consumer and business confidence, rising home prices and a positive outlook for the holiday shopping season. Rather than take the position that tax reform isn't urgent because the economy is solid, lawmakers must capitalize on the current momentum of a growing economy and keep the ball rolling.

"Fan the fire," Celia said. "Don't cool it off."

Dan Celia leads Financial Issues Stewardship Ministries (FISM, *)*and focuses on important economic news and biblical investing during his daily, three-hour show, "Financial Issues," which airs on about 640 radio stations around the country and is also seen nationwide on NRBTV, reaching 45 million households.

Read more about Celia, FISM and "Financial Issues" here. Visit the Financial Issues Stewardship Ministries website at , its Facebook page, on YouTube at Financial Issues with Dan Celia or on Twitter @financialissues. Download the new Financial Issues app here. {eoa}