



CHAIRMEN

MITCH DANIELS
LEON PANETTA
TIM PENNY

PRESIDENT

MAYA MACGUINEAS

DIRECTORS

BARRY ANDERSON
ERSKINE BOWLES
CHARLES BOWSHER
KENT CONRAD
DAN CRIPPEN
VIC FAZIO
WILLIS GRADISON
WILLIAM HOAGLAND
JIM JONES
LOU KERR
JIM KOLBE
DAVE MCCURDY
JAMES MCINTYRE, JR.
DAVID MINGE
JUNE O'NEILL
PAUL O'NEILL
MARNE OBERNAUER, JR.
BOB PACKWOOD
RUDOLPH PENNER
PETER PETERSON
ROBERT REISCHAUER
ALICE RIVLIN
CHARLES ROBB
ALAN K. SIMPSON
JOHN SPRATT
CHARLIE STENHOLM
GENE STEUERLE
DAVID STOCKMAN
JOHN TANNER
TOM TAUKE
GEORGE VOINOVICH
PAUL VOLCKER
CAROL COX WAIT
DAVID M. WALKER
JOSEPH WRIGHT, JR.

CRFB Responds to Donald Trump's New Tax Plan August 8, 2016

In a speech today at the Detroit Economic Club, presidential candidate Donald Trump announced revisions to his tax reform plan, suggesting that details will be provided in the coming days.

"It's encouraging that Donald Trump appears to be modifying his tax plan, which would push America toward an unprecedented level of debt unless it is significantly changed," said Maya MacGuineas, president of the Committee for a Responsible Federal Budget.

In the June report [Promises and Price Tags](#), the Committee for a Responsible Federal Budget estimated that his original tax plan alone would cost roughly \$9.25 trillion over the course of a decade, while his entire agenda would add \$11.5 trillion to the national debt, including interest, by 2026.

Based on today's speech – which proposes individual tax rates of 12 percent, 25 percent, and 33 percent instead of 10 percent, 20 percent, and 25 percent - Trump's new tax plan is likely to cost significantly less. However, the plan is still likely to add substantially to the debt, particularly the plan to cut business taxes, which we previously estimated would cost about \$2.55 trillion over a decade.

"This certainly appears to be an improvement over Trump's previous \$11.5 trillion agenda, but we can't afford to add even a few trillion dollars to the debt – not with our debt already at record-high levels and projected to grow by \$10 trillion over the next decade under current law," MacGuineas continued. "We urge Donald Trump to put forward a tax framework that will cost as little as possible – or preferably generate net revenue – along with a serious suite of new spending cuts and entitlement reforms that would not only pay for any remaining tax cuts but also put the national debt on a downward path relative to the economy."

In the coming weeks, the Committee for a Responsible Federal Budget will update its analysis [Promises and Price Tags](#) to reflect Trump's new tax plan,



Hillary Clinton's new college and health plans, and any other modifications or additions posted on the candidates' official websites.

###

For more information, contact Patrick Newton at newton@crfb.org.