

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, DC 20515

February 13, 2019

The Honorable Richard Neal, Chairman
Committee on Ways and Means
1102 Longworth House Office Building

The Honorable Michael Thompson, Chairman
Subcommittee on Select Revenue Measures
1102 Longworth House Office Building

Dear Chairman Neal and Chairman Thompson,

Thank you for convening this hearing today about how middle-class families are faring in today's economy. With higher paychecks and more money in their pockets from tax reform, middle class families are more optimistic about their finances than ever. And more Americans are rising into the middle class because good-paying jobs are available. I hope we can work together this Congress to further improve the tax code to help families and communities.

Thanks to the Tax Cuts & Jobs Act (TCJA) and our growing economy, families have more money in their pockets from lower taxes and higher paychecks. A recent Gallup poll shows that Americans' optimism about their personal finances is at a near record high, and that half of Americans believe that they are better off now than a year ago.

A typical family of four earning \$75,000 will see a tax cut of more than \$2,000. The worst thing Washington could do for middle class families is to take more of what they earn or slow the U.S. economy. How would repealing this \$2,000 tax relief help them?

What makes so many cities unaffordable for middle class families are brutally high state and local taxes that drive up the cost of housing, food, and utilities. Higher taxes equal higher housing costs, higher food costs, and higher utility costs.

We can do more to address these problems. Congress should work together to help make the cost of living more affordable, and not return to the slow growth and stagnant paychecks of the past decade.

Congress should also work together to help families save more and save earlier for retirement and education. I know you have a lot of interest in this area as well, and it should be a place to

find common ground. Making the IRS more consumer friendly is another area where we have worked together in the past and we should again in the future. Finally, we should consider policies to discourage high college debt which is crippling the economy and the future of young Americans.

America's middle class is benefiting from a strong economy, growth, and job opportunities produced by the TCJA. But we should always work to improve and refine our tax code to do more to continue to help Americans prosper.

Sincerely,



Kevin Brady
Republican Leader
Ways and Means Committee



Adrian Smith
Republican Leader
Select Revenue Measures