

# P M A A W E E K L Y REVIEW

## **House Republicans Release Tax Reform 2.0 Outline**

Yesterday, House Republicans released a tax reform outline for the second round of tax cuts they plan to pass later this month. House Ways and Means Committee Chairman Kevin Brady (R-TX) released papers explaining the three central points of the new tax bill which are: to protect family tax cuts from last year's "Tax Cuts and Jobs Act," promote family savings, and grow brand new entrepreneurs. The new plan would make individual tax cuts and the \$10,000 cap on state and local tax (SALT) deductions permanent, while also expanding retirement savings options for small businesses and allowing start-ups to deduct more costs. Furthermore, tax reform 2.0 would eliminate the alternative minimum tax (AMT). Finally, the plan would include a new Universal Savings Account for families and a provision that would allow families to tap into their own retirement accounts without penalty after having or adopting a child.

There have been fierce debates on the bill between Republicans who want to pass the bill to campaign on tax cuts and Republicans from districts in liberal states who say the SALT write-off limit is unpopular with their voters. Despite the disagreement, Chairman Brady has said his panel will meet next week to discuss and potentially approve the new plan. House Speaker Paul Ryan (R-WI) has said the legislation will get a vote on the House floor before the end of September. If the legislation passes the House, it is unlikely to pass the Senate because supporters of the bill will need at least nine Senate Democrats to support the measure.