September 8, 2021

U.S. Senate Washington, DC, 20510

Dear Senator,

We, the undersigned organizations representing millions of taxpayers and consumers across the nation, urge you to oppose the reconciliation package authorized by August's budget resolution. The \$3.5 trillion proposal is not a "path for progress for Americans" as some supporters claim, but rather a mixed bag of higher taxes and increased spending for which taxpayers will ultimately be responsible if the legislation passes.

The call for higher taxes is unwelcome news for Americans who, over the last four years, have reaped the benefits from the long overdue tax reforms put in place by the Tax Cuts and Jobs Act of 2017. Lower tax rates and expanded tax credits enabled hard-working families to keep more money in their pockets, leading to an increase in real disposable income that was then pumped back into the economy. All told, a Tax Policy Center <u>analysis</u> found that in 2018, an astonishing 65 percent of American households received a tax cut. Likewise, the nation's business—small and large—finally received relief from an astronomically high corporate tax rate and were able to expand, invest, and create more jobs.

The Biden Administration and Democratic congressional leadership had an opportunity to assemble a responsible budget that preserved those benefits for Americans while mitigating the damage wrought on our economy by the COVID-19 pandemic. Unfortunately, this budget package does neither and contains a laundry list of divisive programs with a price tag in the trillions of dollars and tax increases on families and job creators. It is irresponsible spending that will send the nation spiraling further into debt. The harmful tax hikes are astonishingly tone deaf to the ongoing struggles of hard-working taxpayers who will foot the final bill. All that extravagant spending needs to be offset, however, and to do so, the budget proposes drastically transforming a crucial Medicare prescription drug program relied on by millions of Americans. As you are aware, the federal government is barred from interfering with the private price negotiations between Medicare Part D plans, drug manufacturers, and the program's pharmacies. This non-interference (NI) clause was put in place for a very good reason: allowing government bureaucrats to dictate to the private sector what prices it must charge would stifle innovation, leaving patients more vulnerable as access to medicines becomes restricted.

Trillions of dollars in spending, tax increases, and price controls are not the cure for what ails the nation; rising inflation, still-anemic economy, and a pandemic-weary population. Americans have the right to expect policies from Congress that keep them on their feet, not knock them down. This proposal, the latest Democratic legislative effort to systematically chip away at the legacy of President Trump's landmark tax reform legislation, does just that.

It is for these reasons we ask you to oppose the budget reconciliation package when it arrives on the Senate floor.

Sincerely,

**Taxpayers Protection Alliance** 

American Commitment

American Consumer Institute

Americans for Prosperity

Americans for Tax Reform

Competitive Enterprise Institute

Center for a Free Economy

Center for Freedom and Prosperity

Center for Individual Freedom

FreedomWorks

Libre Initiative

Small Business and Entrepreneurship Council