



NEWS RELEASE

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If you're rich, the House GOP tax plan is great for you. If not? Not so much
Top 1 percent in Alabama would get big tax cut; working families would suffer from cuts to education, health care

The richest 1 percent of Alabamians would get large tax cuts that would grow even larger over the next decade under U.S. House Republicans' tax plan, according to [projections released Monday by the Institute on Taxation and Economic Policy \(ITEP\)](#), a nonprofit research organization based in Washington, D.C. Meanwhile, nearly one in five Alabamians – including one in four middle-income taxpayers – would pay higher taxes by 2027 under the GOP plan, ITEP finds.

The plan would add at least \$1.5 trillion to the federal deficit, setting the stage for cuts to education, health care and other services, Arise Citizens' Policy Project executive director Kimble Forrister said.

“These tax cuts would hurt working families and the economy while giving even more money to people who are already wealthy,” Forrister said. “This plan would pave the way for deep cuts to federal funding for Medicaid, education, housing, transportation and other services that help everyday Alabamians get ahead. That’s a harmful path, and Congress should turn away from it.”

Key Alabama findings from ITEP’s study of the GOP tax plan include:

- The top 1 percent of Alabama earners would receive an average tax cut of \$40,990 in 2018. That number would jump to \$58,200 by 2027.
- Nearly one in five Alabamians (18 percent) would pay higher taxes by 2027 under the plan, including 25 percent of middle-income taxpayers.
- Just 10 percent of the state’s total tax cuts in 2027 would go to the three in five Alabamians who would have incomes of less than \$80,090 a year. Their average tax cut would shrink from \$320 in 2018 to \$180 in 2027.

“Any gains that working Alabamians would get from these tax cuts pale in comparison to the harm they’d suffer from cuts to education, health care and other vital public services,” Forrister said.

“Congress should reject these tax cuts for the rich and work to build a better future for all of us.”

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[Arise Citizens' Policy Project](#) is a nonprofit, nonpartisan coalition of congregations, organizations and individuals promoting public policies to improve the lives of low-income Alabamians.