



February 24, 2024

NTU urges all Representatives to vote “YES” on H. Con. Res. 14. This budget resolution is a necessary and critical step in passing President Trump’s tax cut agenda via the budget reconciliation process. The resolution allows the House Ways and Means Committee \$4.5 trillion in authority to further President Trump’s 2017 Tax Cuts and Jobs Act, which was also passed using the reconciliation process.

Other committees are also instructed to deliver \$1.5–2.0 trillion in offsets, but specific programs are not named in this legislation. This legislation is a critical step toward ensuring the economic growth from President Trump’s tax cuts will be felt quickly.

The House Budget blueprint issues an allowance of \$4.5 trillion in tax cuts to the House Ways and Means Committee. Coupled with axing misguided tax policy like the trillion or so dollars in the Inflation Reduction Act’s alternative [energy giveaways](#) to wealthy coastal elites, rolling back harmful Biden-era regulations, and cracking down on fraud and abuse of tax credits, this would help prevent [trillions in tax increases](#) starting in 2026. If the budget doesn’t pass, widely popular TCJA changes would be at risk; the standard deduction for all Americans would be halved, individual rates would increase, the small business deduction would lapse, and pro-growth provisions would languish. In total, the average taxpayer could face an [increase of around \\$2,000](#).

The impact of the standard deduction (aka the guaranteed deduction) lapse would be huge—pre-TCJA, only 30% of filers elected to take this flat deduction. Post-TCJA, over 90% now utilize the standard deduction, which saves [210 million hours in compliance time for hundreds of millions](#) of taxpayers.

If this first step fails, it will also endanger the most impactful pro-growth provisions that are currently lapsed or beginning to wind down. The research and development tax deduction, the 100% bonus depreciation provision, the small business deduction, and the net interest deduction all helped supercharge the economy under the first Trump presidency. These are crucial tax incentives for American economic investment and cannot fall by the wayside—or [GDP growth could slow down again to pre-TCJA levels](#). GDP is not a [perfect measure but it’s one of the best](#) indicators of a nation’s economic health. Lower GDP generally means economic stagnation which leads to unemployment, underemployment, and reduced income.

This legislation issues instructions to other committees to find offsets. The following committees were instructed to collectively determine at least \$1.5 trillion in total savings, with a goal of \$2 trillion over the ten-year budget window. If the goal is not reached, the tax cut budget could be reduced. If the goal is exceeded, then the tax cut budget could be increased.



- Committee on Agriculture: offsets of \$230 billion
- Committee on Armed Services: increase of \$100 billion
- Committee on Education and Workforce: offsets of \$330 billion
- Committee on Energy and Commerce: offsets of \$880 billion
- Committee on Financial Services: offsets of \$1 billion
- Committee on Homeland Security: increase of \$90 billion
- Committee on the Judiciary: increase of \$110 billion
- Committee on Natural Resources: offsets of \$1 billion
- Committee on Oversight and Government Reform: offsets of \$50 billion
- Committee on Transportation and Infrastructure: offsets of \$10 billion

As indicated above, the bill provides \$300 billion for the Pentagon and for border security, and increases the debt limit, which could prevent costly concessions during negotiations on this topic.

Roll call votes on this legislation will be included in NTU’s annual Rating of Congress and a “YES” vote will be considered the pro-taxpayer position.

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