

Amendment to the Chairman's Mark

Offered by Representatives Jeffries, Yarmuth, Lee, Lujan Grisham, Moulton, Higgins, Khanna, Jayapal, Jackson Lee, and Schakowsky

No Tax Cut for the Wealthy

At the end of Title V, add the following:

“POLICY STATEMENT ON IMPLEMENTATION OF THE ‘MNUCHIN RULE’.

(a) FINDINGS. — The House finds the following:

- (1) By almost any measure, the wealthy few have seen their incomes and wealth rise dramatically over the past few decades, while the rest of the country has been left behind.
- (2) This has led to growing inequality as incomes of the top one percent continue to grow, even as everyone else's wages stagnate. For example, from 1979 to 2013, after-tax real income for the top one percent grew by about 200 percent. In contrast, it grew just over 40 percent for those in the bottom 80 percent. This understates the stagnation for many Americans, as households in the lower half of the income scale have seen no increase in their average income over this period.
- (3) With the wealthy doing so well and the rest of the country struggling to get ahead, any tax plan must be tested on how it affects the distribution of after-tax incomes.
- (4) Treasury Secretary Steven Mnuchin agreed. Following the announcement of his nomination, he said the following: “Any reductions we have in upper-income taxes will be offset by less deductions, so that *there will be no absolute tax cut for the upper class.*” This has been dubbed the “Mnuchin rule.”

(b) POLICY ON THE MNUCHIN RULE. — It is the policy of this resolution that Congress should follow the “Mnuchin Rule” and not consider any tax reform legislation that provides a net tax cut to households in the top one percent of income.”