

are still up in the air. By the time we vote, no one will have a definitive analysis of how the bill would impact the economy—no one. No one will know how the last-minute provisions Republicans add will affect American taxpayers and businesses.

If this bill should pass—and I sure hope it doesn't, for the sake of America and for the sake of the middle class—my Republican friends will regret rushing it through in such a brazen way. There will be unintended consequences. The rush to get something—anything—done will haunt my Republican colleagues in years to come and, I dare say, in November of 2018.

I would understand the rush if the Republicans were sure they had a great tax bill, but they are not sure. I know so many of my colleagues have expressed real misgivings about this bill. They say that it is better than nothing, but that is not the alternative. It is not either this bill or nothing. We Democrats are ready to sit down and work on a bipartisan bill—it will take a couple of months—and come up with a much better plan that will get 70 or 80 votes on the floor of this Chamber, of which we can all be proud.

Every independent analysis has shown that millions of middle-class people will get an increase in taxes. The Tax Policy Center estimates that 60 percent of middle-class families will see a tax increase at the end of the day, while folks making over \$1 million will get an average cut of \$40,000. Do millionaires need a tax cut at all? Are they doing so poorly? Is there any study that shows this kind of tax cut will make them work harder or create more jobs? No. No. None. So the individual side here, which reduces the top rate by 1 percent, if that is still in the bill they are going to put before us, is misguided.

Corporations will get permanent breaks while individuals' will expire after only a few years. For estates, right now the only estates that pay any tax are worth over \$11 million, and they will get a tax break while 13 million fewer Americans—middle income, low income—will get health insurance. Why rush to pass a bill like that?

It is no wonder the bill is so unpopular with the American people. In every survey that I have seen and in every State survey that I have seen, the numbers who dislike the bill exceed—in most cases, by a lot—those who like the bill, just like healthcare.

Now, corporate profits are at an all-time high. Companies are flush with cash. The richest 1 percent of Americans receive 20 percent of the overall national income. The richest 1 percent get 20 percent of the income. God bless them. I don't like that percentage, and that percentage hasn't been matched in nearly a century since the roaring twenties. But do they need a tax break? Come on.

Corporations and the wealthy are doing great right now. God bless them. They don't need a tax cut. To lavish

them with huge tax breaks and ask the middle class to bear so much of the cost—that gets it backward. That is not a bill anyone in this Chamber can be proud of, whether your views are for tax cuts or not.

The main argument my Republican colleagues use to counter these damning facts—what I say is the core argument of their tax plan—is that a massive corporate tax cut would grow the economy and make it easier for companies to invest in their workers. The argument that a massive corporate tax cut leads to more jobs and higher wages is a flimsy house of cards that falls down under the slightest scrutiny.

Just yesterday, Bloomberg published an article citing the CEOs of major companies like Cisco and Coca-Cola, who said, according to the report, that “they’ll turn over most gains from the proposed corporate tax cuts to their shareholders, undercutting the President’s promise that his plan will create jobs and raise wages for the middle class.”

We have seen similar quotes by major corporate leaders on earnings calls over the past several months. They admitted that this big corporate tax break will go, in large part, to stock buybacks, dividends, which we all know go to the wealthiest people in America. The preponderance of it goes to the wealthiest people in America. The additional profits from corporate tax cuts will not go to new investments or higher wages but to CEO bonuses, stock buybacks, and dividends.

Perhaps the most compelling testimony was given to top White House economic adviser Gary Cohn himself, who spoke at the Wall Street Journal CEO Council earlier this year. The gathering of business leaders was asked to raise their hands if they planned to invest the money they got from corporate tax cuts into their companies.

Gary Cohn had to ask: Why aren't there more hands up?

Again, you say: Well, they were afraid to say so. They didn't want to reveal their plans. Well, corporate executives are revealing their plans in their earnings calls. And when reporters ask them, so many of them say: I am not going to invest this in jobs; I am going to invest it in dividends and stock buybacks, send it back to the shareholders.

The harsh fact of the matter is that tax cuts don't result in the kind of economic growth and job growth my Republican friends predict. It didn't happen after the Bush tax cuts. It didn't happen in Kansas, where there were so many promises: If we cut taxes in Kansas, there will be huge growth and new jobs. Well, it was a dramatic flop, what happened in Kansas, that our Republican colleagues are repeating. They are not learning from history. Kansas's job growth last year was much lower than the national average, despite all the big tax cuts they gave.

I am afraid my Republican colleagues and friends are willing to paper over

their serious reservations with this bill in order to say that they got something done. They are willing to look past the fact that 60 percent of middle-class families will see tax increases by the end of the day, that healthcare premiums will rise 10 percent, that 13 million fewer Americans will have health insurance, and that the tax bill will exacerbate inequality in an economy that is already perilously unequal—all in the name of deficit-busting corporate tax cuts that will not create the kind of economic growth and job growth they are predicting.

I heard the majority leader speak a minute ago and say: The focus of this bill—these are his words, in effect; I don't know his exact words, but they are like this. He said: The focus of this bill is on the middle class.

It is only on the middle class if you believe in trickle-down economics, that giving money to the wealthy corporations and giving money to the wealthiest of people will create jobs—trickle-down. It has never worked. According to a recent poll, 77 percent of Americans don't believe that big corporations should get tax breaks. They don't believe in trickle-down. The only people who believe in trickle-down seem to be the Members of this Chamber and the big corporation leaders who will get the benefits. Nobody else seems to believe it. Trickle-down is wrong. This bill could be entitled “the trickle-down tax bill.” Let's hope and pray, middle-class people, that when we give most of the breaks to the wealthiest and biggest corporations, you might get a few crumbs. Nobody wants that. We could do much better, working together in a bipartisan way.

In conclusion, I would say to my colleagues on the other side of the aisle, particularly those who aren't sold on this bill: We can create a better product by working together. Democrats and Republicans agree on many principles in tax reform. We both want to lower rates and close loopholes. We both want to reduce burdens on the middle class and small businesses and simplify the code. I think many on the other side agree with us that it should be deficit-neutral. This bill is none of those things.

If we start over and pursue tax reform in the right way, the bipartisan way, the open way, the sunlight way, I genuinely believe we can find a product that both sides can be proud of and one that will be much, much better—and much better received—by and for the American people.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business, with Senators permitted to

speak therein for up to 10 minutes each.

The Senator from Utah.

TAX REFORM

Mr. HATCH. Madam President, I have listened to the minority leader's remarks. If anybody believes that we are going to be able to work together closely when they just want a bill for the Federal Government at all costs—they had us right there on the cusp of socialism just a month ago, and we are still right on the cusp of socialism. I hate to say it, but our Democratic friends are pushing us toward socialism, which has never worked anywhere in the world, and it is not going to work here. Their answer to everything is big government.

There are two different points of view here. I have to tell you I used to be on their side when I was a young fellow. I was raised in poverty. I came up the hard way. I learned a trade. I became a journeyman metal lather, which was one of the most skilled trades at the time.

I have to say that these haunting re-frames were used by Democrats back then, too, but look at this country and the mess it is in, and it is in a mess because of their philosophy. We have to change it. I admit, with him, that the business community isn't always right, and they are not always the best to spend our money, but they are sure a lot better than government spending it all the time. So much for that.

The Senate will soon vote on a motion to proceed to legislation to reform our Nation's broken Tax Code and to provide significant relief for tens of millions of middle-class families.

Members from both parties have worked for years on this effort. As we move to consider this legislation, we will take another step toward accomplishing what has—until recently, anyway—been a bipartisan goal. I want to thank all of those who have helped us advance this process, especially the members and staff of the Finance Committee, who have worked tirelessly to get us to this point. I also want to thank our distinguished majority leader, Senator MCCONNELL, for his work and leadership on this as well.

Of course, we are not there yet. We have a number of additional steps to take, including today's vote. I don't want to put any carts ahead of any horses, but I am optimistic that we can get a positive outcome today.

Our tax reform bill is crafted with the primary purpose of providing tax relief to the middle class and growth to our economy. To accomplish these goals, the bill lowers individual tax rates across the board. The bill also expands the zero tax bracket by nearly doubling the standard deduction, doubling the child tax credit, and increasing the child tax credit refundability, all of which, combined, will eliminate income tax liability for many hard-working American families and signifi-

cantly cut taxes for tens of millions of middle-class taxpayers. That sounds like the right thing to do to me.

Some examples, I think, can be illustrative here. Under our bill, a family of four making the U.S. median family income of around \$73,000 a year will see their taxes go down by more than \$2,000 a year. That is a savings of more than \$180 a month. Overall, this represents a nearly 60-percent reduction in that family's tax liability. A single parent with one child making \$41,000 a year, under the bill, will pay about one-quarter of the Federal income taxes he or she may pay today, an annual reduction of almost \$1,400. Now, that is real money for these families. It will help them to make car payments, to pay their rent or mortgages, to bring down credit card balances, or to increase their ability to save for the future.

In addition to reducing the tax burden on low-income to middle-income families, the changes in our bill will make filing taxes much simpler for most of these taxpayers. According to JCT, or the Joint Committee on Taxation, more than 9 in 10 American families will opt for the standard deduction under this legislation, avoiding altogether the difficult and complicated process of itemizing deductions. This means less time and money spent on tax compliance and preparation for millions of middle-class taxpayers. It may hurt the legal profession, but it is going to give freedom to the American people.

The bill also repeals one of the most regressive taxes in American history—the ObamaCare individual mandate tax, which overwhelmingly burdens middle-income and low-income families. In fact, 80 percent of the families that pay the tax make less than \$50,000 per year. Yet this repeal has been the source of much consternation for my friends on the other side of the aisle. I will have more to say on that in a moment.

For most small businesses that pay taxes on the owners' individual returns, or passthroughs, the bill provides significant relief in the form of a simple tax reduction applied to qualified business income. This will reduce the overall tax burden for passthrough businesses, which are the primary engines of our job creation in the United States. In addition, our bill helps Main Street businesses by enhancing expensing and expanding the availability of simplified cash accountability. All told, this means more expansion, more investment, and more jobs for U.S. workers employed by small businesses.

Make no mistake, this bill is pro-small business, which is why the National Federation of Independent Businesses, the largest small business association in the country, has enthusiastically expressed its support for our legislation. They are not stupid. They are brilliant people. They know how badly the small business community has been treated by our tax writers over the years, and they are looking forward to this legislation passing.

It should probably go without saying at this point that the United States currently has the highest corporate tax rate in the industrialized world, and, as a result, we are seeing businesses flee our country for more favorable tax conditions overseas, while others are getting purchased by foreign companies. Some of them are just giving up and letting foreign companies take them over. That is not good for American workers, and that is not good for America.

Former Presidents Clinton and Obama have spoken in favor of lowering the corporate tax rate to allow our country to be more globally competitive. That sentiment has been shared by countless Democrats in this Chamber, including the current ranking member on the Finance Committee and the Senate Minority Leader. With this bill, we are taking their advice by lowering the corporate tax rate to 20 percent.

We also shift to a more territorial system of international tax—another idea that was explicitly endorsed in a bipartisan working group report, coauthored by my good friend Senator SCHUMER, by the way, who just spoke here. This shift is paid for largely through the use of a “deemed repatriation,” another idea supported by Democrats in recent years. We are creating both incentives and penalties to prevent base erosion, a goal that has become clearly bipartisan during the recent waves of corporate inversions.

Long story short, there is quite a bit in this bill that both Republicans and Democrats should be able to support. Of course, anyone who gets their information solely from the statements and talking points from our friends on the other side would never get that.

Over the next few days, I expect we will hear quite a few misleading claims, both about the bill and about the process which led us here. For example, I think we will hear that this bill is just a massive giveaway to the so-called rich. That is always the claim of the Democrats: It is a gift to the so-called rich. Gosh, give me a break. I get so tired of that phony, lousy argument that they make all the time. They have hurt the middle class so badly in this country; it is unbelievable.

My colleagues will make the claim that this is a massive giveaway to the so-called rich even though they have the same data from the Joint Committee on Taxation, which clearly shows that middle-class taxpayers will receive the largest proportional tax cuts under the bill and that none of the existing tax burden will be shifted downward from those at the top. In fact, those in the highest bracket, according to JCT, or the Joint Committee on Taxation, will pay a higher percentage of the overall tax burden than they do now.

I expect we will hear that, by repealing the individual mandate tax, the bill will be taking people's health insurance away and raising taxes on the