

HOUSE REPUBLICAN TAX PLAN REPEALS MANY DEDUCTIONS THAT BENEFIT MIDDLE-CLASS FAMILIES

Deductions, exemptions, and credits taken by middle-class families that will be ELIMINATED under the House Republican tax bill include:

- **Deduction of state and local income and sales taxes (SALT):** Only state and local property taxes up to \$10,000 will still be deductible. Corporations and businesses will still be able to deduct all state, local and property taxes.
- **Personal exemption (\$4,050 per household member):** For a family of four this means \$16,200 of your income is not taxed.
- **Medical expense deduction:** Taxpayers can now deduct medical expenses that exceed 10% of their adjusted gross income. This deduction is only taken by families with big health care bills from serious medical conditions. Nine million taxpayers took this deduction in 2015.
- **Assistance to help pay for college:**
 - Deduction for student loan interest
 - Makes students pay taxes on the cost of tuition and other benefits they get from colleges for graduate teaching and research assistants
 - Lifetime Learning Credit (a credit for qualified higher education expenses with no limit on how many years credit can be claimed)
 - Deduction for qualified tuition and related expenses (currently can only be claimed for taxpayers that don't claim higher tuition credits like the Lifetime Learning Credit or the American Opportunity Tax Credit)
 - Exclusion of interest on U.S. savings bonds where proceeds are used to pay for higher education
- **Other education assistance eliminated:**
 - Exclusion of employer-provided education assistance
 - Deduction for \$250 of teachers' out-of-pocket expenses for school supplies
- **Adoption assistance credit:** This is worth \$13,570 to help parents defray the costs of adopting a child, which can cost tens of thousands of dollars.
- **Moving expenses to get a better job:** Repeals the deduction for moving costs when you move at least 50 miles away.
- **Exclusion for employer-provided dependent care assistance:** Up to \$5,000 a year is now exempt from taxes for benefits that employers provide, such as day care, elder care and flexible spending accounts. They will be eliminated starting in 2024.
- **Tax credit for buying an electric car:** Worth \$7,500 per car.
- **Other tax breaks eliminated:**
 - Deduction for alimony payments
 - Deduction for tax preparation expenses
 - Credit for the elderly and disabled
 - Deduction for union dues
 - Deduction for personal casualty and theft losses (including losses from hurricanes and fires)