February 24, 2025

The Honorable Tim Kaine 231 Russel Senate Office Building Washington, DC 20510

The Honorable Mark Warner 703 Hart Senate Office Building Washington, DC 20510

The Honorable Don Beyer 1226 Longworth House Office Building Washington, DC 20515

The Honorable Ben Cline 2443 Rayburn House Office Building Washington, DC 20515

The Honorable Gerry Connolly 2265 Rayburn House Office Building Washington, DC 20515

The Honorable Morgan Griffith 2110 Rayburn House Office Building Washington, DC 20515 The Honorable Jen Kiggans 152 Cannon House Office Building Washington, DC 20515

The Honorable Jennifer McClellan 1628 Longworth Office Building Washington, DC 20515

The Honorable John McGuire 1013 Longworth Office Building Washington, DC 20515

The Honorable Bobby Scott 2328 Rayburn House Office Building Washington, DC 20515

The Honorable Suhas Subramanyam 1009 Longworth Office Building Washington, DC 20515

The Honorable Eugene Vindman 1005 Longworth Office Building Washington, DC 20515

The Honorable Rob Wittman 2055 Rayburn House Office Building Washington, DC 20515

Dear Senator Kaine, Senator Warner, Representative Beyer, Representative Cline, Representative Connollly, Representative Griffith, Representative Kiggans, Representative McClellan, Representative McGuire, Representative Scott, Representative Scott, Representative Subramanyam, Representative Vindman, and Representative Wittman,

Congratulations on your election to the 119th Congress. As you know, the incoming Administration and Congressional Majority have made plans to prioritize extending and potentially expanding the 2017 Trump tax law (*Tax Cuts and Jobs Act, TCJA*) that is set to expire. We urge you to use the expiration of these provisions as an opportunity to address long-standing inequities with our tax code and to raise more revenue to meet our country's current obligations and address critical unmet needs.

Our collective undersigned organizations work every day in Virginia to reduce poverty and racial disparities, expand economic opportunity, make health care accessible for all, and create good union jobs. Our vision is to move Virginia and the nation toward justice and equity, and we are particularly watching what happens in Congress around taxes.

Clearly, the 2017 tax law failed and there's no mandate to repeat the mistakes of the past.

- The proponents of these tax cuts said big corporate tax cuts would trickle down to big increases in wages for workers but the typical worker got nothing from it.
- They said the bill would pay for itself it actually increased the deficit by \$2 trillion.
- They said the tax cuts would create jobs but the evidence doesn't show that.

If Congress decides to give new corporate tax cuts and extend other provisions of the TCJA, the Committee for a Responsible Federal Budget says it would increase deficits by about \$7.5 trillion over 10 years. We also know that President Trump's tax plan will favor the rich. The Institute on Taxation and Economic Policy found that it will lead "to a tax cut for the richest 5 percent of Americans and a tax *increase* for the other 95 percent of Americans."

To make matters worse, Congressional leaders have floated proposals to cut Medicaid, SNAP, and other critical safety net programs in order to pay for these tax cuts. Virginia is particularly vulnerable to this program, as even a 1% reduction in funding from the federal government for Medicaid expansion would immediately lead to over 630,000 Virginia residents losing access to critical health coverage.

Americans want you to meet the moment and put our future ahead of tax cuts for the wealthy and well connected. Virginia residents prioritize funding services and taxing the wealthy so that they pay their fair share by a wide, bipartisan margin. <u>According to recent research</u>:

- 74% of Virginia residents support raising taxes on wealthy corporations
- 73% of Virginia residents support raising taxes on the wealthiest households
- 73% of Virginia residents support raising taxes on households earning more than \$400,000 a year
- 70% of Virginia residents support increasing child tax credits

The tax code is one of our most powerful tools to shape the economy but has too often been used to divide us. For too long, it has been slanted towards the wealthy and large corporations, and the economy, our country, and communities and families in Virginia have suffered as a result. The expiration of key provisions of the Trump tax bill in 2025 is a rare opportunity to unite the vast majority of people who want to correct long-standing inequity in our tax code, and help produce an economy that works for all Americans.

Sincerely,

The Commonwealth Institute for Fiscal Analysis
New Virginia Majority
Virginia Organizing
Voices for Virginia's Children
Progress Virginia
Freedom Virginia
Virginia Education Association

Hamkae Center
Social Action Linking Together (SALT)
Virginia Chapter - American Academy of Pediatrics
SERV (Students for Equity and Reform in Virginia) at UVA
The Disability Resource Center of the Rappahannock Area, Inc
Young Invincibles
Virginia Hemophilia Foundation
Health Brigade
Marijuana Justice
Arlington Community Foundation
ENDependence Center of Northern Virginia
Hemophilia Association of the Capital Area
Insight Enterprises, Inc.

Virginia Rural Health Association