

Pelosi: If We Win, We're Going to Turn Back the Clock By Repealing the New Law and Massively Increasing Taxes

By Guy Benson |
Apr 05, 2018



Nancy Pelosi didn't have a great day yesterday, making an embarrassing, *'Anchorman'*-style mistake on social media, then handing Republicans another ready-made attack line against Democrats heading into the fall. On the Twitter faux pas, it looks like she or somebody on her staff was supposed to tag a tweet with names or handles of certain individuals prior to publication -- but that somebody must have missed the memo. *Oops*:

That's a silly mistake, akin to this error, that's basically straight out of *Veep*. Less of a laughing matter, however, was Pelosi's strong implication that if they win in the fall, her party will seek to repeal the totality of the GOP-passed tax law and start from scratch:

The moderator of the event asked Pelosi if Democrats would re-write the tax bill from scratch or focus on reversing specific elements. "One of our complaints about what they did with the tax bill is they did it in the dark of night with the speed of light," Pelosi said... "We'll sit down at the table and say ... what would be a tax bill that creates growth, that creates good paying jobs as it reduces the deficit?" Pelosi said. **"It's not about chipping at this piece or that piece, it's about a comprehensive look** at what our tax policy should be for the future."

Uprooting the entire tax law would inflict massive tax increases on nearly every American family. Approximately nine-in-ten taxpayers are experiencing a reduction in their tax burden thanks to the new policy, on which every last Democrat in Congress voted 'no.' Republicans' parallel programs of de-regulation and tax relief have helped fuel and sustain a sizzling US economy, the positive effects of which are simply undeniable. Voters, who are quite wary of President Trump overall, recognize this, and have rewarded him with much stronger marks on taxes and the economy than on other fronts. Public support for tax reform has flipped from badly upside-down to right-side-up, as Democratic myths and demagoguery have been disproven in real time by people's lived reality -- even as people like Pelosi sneer at the progress. Talking about undoing tax reform means that Democrats are willing to hammer families, individuals and small businesses with tax increases, including the overwhelming majority of middle income households.

Liberals would likely focus the rhetoric justifying their clawback by targeting that evil corporate tax cut, which is a big element of why the economy has taken off. It's why hiring is up, and why hundreds of companies have shared their tax windfalls with millions of their employees through bonuses and other enhanced benefits. It's why tens of millions of Americans are seeing utility bills slashed. And it's why small business owners are feeling as optimistic as ever about the prospects for their businesses. Are Nancy Pelosi and friends intent on erasing these gains?

Two more points: First, while demagoguing corporate tax cuts will be an easier political sell for Democrats, it's important to remember not only that those reductions are a key driver of the robust economic climate, but also that the new corporate rates are a sorely-needed correction to a previous status quo that put American companies at a distinct competitive disadvantage. Prior to reform, US corporates rate -- both statutory *and* effective -- were among the very highest in the developed world. The Republican law brings the United States roughly into the middle of the pack on these measures, a major improvement. The problem was so glaring that even President Obama proposed slashing corporate taxes during his term in office. The GOP finally delivered results on that front, providing pro-competitiveness parity and sorely-needed *certainty* to job creators. Threatening to scramble the rules again would threaten to undermine the important economic gains achieved under the new law.

And second, to Pelosi's claim that the reform plan was rammed through at "the speed of light," the truth is that it was passed under a process at least somewhat resembling regular order. It entailed committee hearings, amendments and votes in

each house, full debate on both floors, and a bicameral conference committee to iron out differences between the two chambers' legislative text. It took months of work, and years of groundwork. Oh, and the notion that Nancy Pelosi -- a top Obama ally -- is worried about deficits is laughable on its face. Her position is that the government virtually always spends too *little*.