Tax Cuts and Jobs Act: United States

In the United States today, the Hispanic population numbers more than 57 million, 18% of the entire population.\(^1\) The Hispanic community’s size, work ethic, and resilience have contributed to the national economic resurgence following the Great Recession. Nevertheless, a considerable portion of Latinos continue to lag behind, struggling to put food on their tables and a roof over their heads. In 2017, more than 19% of Latinos in the U.S. lived in poverty, compared to an overall national rate of 12.7\(^{\text{.}}\).\(^2\)

Instead of helping those working hard and struggling to make ends meet, the new tax law, the Tax Cuts and Jobs Act (TCJA), provides a massive tax cut for the richest Americans and largest corporations while providing little help to working families. Under the TCJA:

- In 2019, an estimated 89% of Latino taxpayers (over 28.1 million) will get an average tax cut of $316.06. This is compared to the average tax cut of $55,190 for the richest 1% of Americans.\(^3\)

### Tax Cut for Richest 1% 175x Greater Than Cut for Majority of Latinos

- **$55,190** (Richest 1%)
- **$316** (89% of Latinos)
• More than 1.3 million low-income Latinos will receive zero benefit from the non-refundable expanded Child Tax Credit. 4

• More than 14 million (one-in-four) Latinos will lose an average annual deduction of more than $13,000 from the reduction of state and local tax deductions.5

• By 2027, six-in-ten Latinos (more than 35.5 million) will see their taxes go up, by an average of $251 per year, due to expiration of the law’s individual tax provisions, the repeal of the Affordable Care Act’s individual mandate, and from using chained CPI to measure inflation.6
  o Seventy percent of Latinos facing a tax increase (more than 24.5 million) have incomes of less than $50,000 per year.7

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2 Ibid.


7 Ibid.