

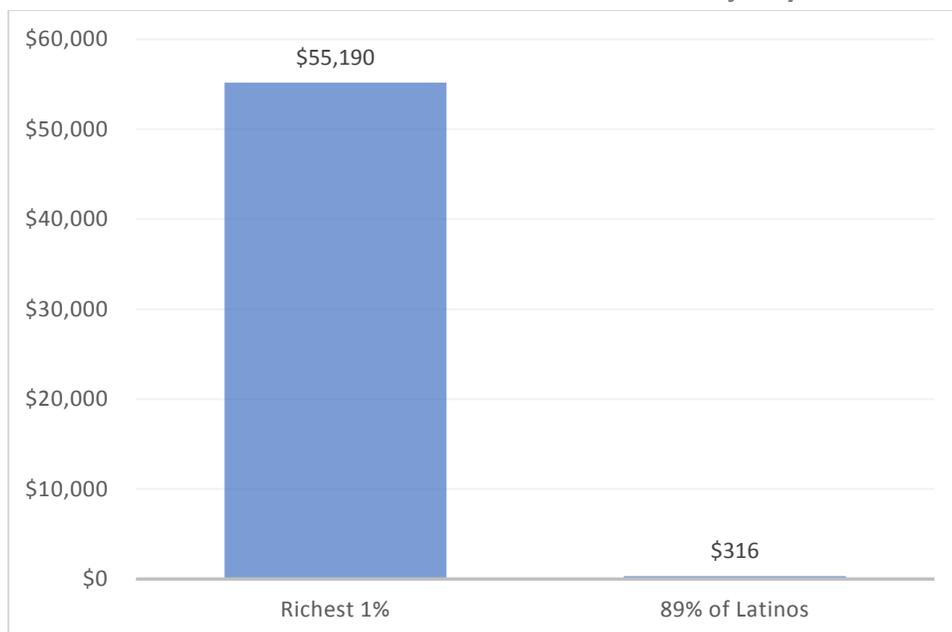
Tax Cuts and Jobs Act: United States

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%.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



- 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
 - Seventy percent of Latinos facing a tax increase (more than 24.5 million) have incomes of less than \$50,000 per year.⁷

¹ UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement, <https://www.census.gov/cps/data/cpstalecreator.html> (accessed January 2018).

² Ibid.

³ UnidosUS calculations using Institute on Taxation and Economic Policy, "How the Final GOP-Trump Tax Bill Would Affect Arizona Residents' Federal Taxes," (Washington, DC: ITEP, 2017), <https://itep.org/finalgop-trumpbill-az/> and U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2017, <https://www.census.gov/cps/data/cpstalecreator.html> (accessed January 2018).

⁴ UnidosUS calculations and J. Scott Moody and Scott Hodge, "The Growing Class of Americans Who Pay No Federal Income Taxes," April 14, 2004, *Tax Foundation*, <https://taxfoundation.org/growing-class-americans-who-pay-no-federal-income-taxes/> (accessed November 2017).

⁵ UnidosUS calculations using Internal Revenue Service, "SOI Tax Stats – Historic Table 2," *IRS*, <https://www.irs.gov/statistics/soi-tax-stats-historic-table-2> and Tax Policy Center, "Briefing Book, State and Local Taxes," <http://www.taxpolicycenter.org/briefing-book/how-does-deduction-state-and-local-taxes-work> (accessed January 2018).

⁶ UnidosUS calculations using data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement, 2017, <https://www.census.gov/cps/data/cpstalecreator.html>; Joint Committee on Taxation, *Distributional Effects of the Conference Agreement for H.R. 1, The "Tax Cuts and Jobs Act,"* report prepared by the Joint Committee on Taxation, 115th Congress., 1st sess., 2017, <https://www.jct.gov/publications.html?func=startdown&id=5054>; and Chye-Ching, Guillermo Herrera, and Brendan Duke, "JCT Estimates: Final GOP Tax Bill Skewed to Top, Hurts Many Low- and Middle-Income Americans," (Washington, DC: Center on Budget and Policy Priorities, 2017), <https://www.cbpp.org/research/federal-tax/jct-estimates-final-gop-tax-bill-skewed-to-top-hurts-many-low-and-middle-income> (accessed January 2018).

⁷ Ibid.