Tax Cuts and Jobs Act: Pennsylvania

In Pennsylvania today, the Hispanic population numbers approximately one million. The Hispanic community’s work ethic and resilience have contributed to the state’s 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 2015, about 32% of Latinos in Pennsylvania were living under the supplemental poverty threshold, compared to 13% of Pennsylvanians overall.

Instead of helping Pennsylvanians 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 Pennsylvanian families. Under the TCJA:

- In 2019, an estimated 92% of Latino taxpayers (roughly 396,000) will get an average tax cut of $286.67. This is compared to the average tax cut of over $53,580 for Pennsylvania’s richest 1%.

![Tax Cut for Top 1% 187x Greater Than Cut for Majority of Latinos](chart.png)
• More than 25,000 low-income Latinos will receive zero benefit from the non-refundable expanded Child Tax Credit.  

• One out of four Latinos (over 200,000) will lose an average annual deduction of more than $6,900 from the reduction of state and local tax deductions.

• By 2027, three out of every four Latinos (more than 600,000) will see their taxes go up, by an average of $248 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.
  o Seven out of ten Latinos facing a tax increase (more than 460,000) have incomes of less than $50,000 per year.


8 Ibid.