

Billionaires Backed Better

November 18, 2021

It's a cliché of politics that the Republican Party is The Party of the Rich while the Democrats serve the Poor and Downtrodden.

But were that true, why so many Democratic billionaires?

And why is President Biden's Build Back Better legislation offering the top income quintile a tax cut worth billions and billions?

At issue is a "\$285 billion tax cut that would almost exclusively benefit high-income households over the next five years," write Alyssa Fowers and

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Simon Ducroquet in the pages of *The Washington Post*. "The measure would allow households to increase their deduction from state and local taxes from \$10,000 to \$80,000 through 2026, and then impose a new deduction cap through 2031."

"It's the second-most expensive item" — when figured in budgeting terms, not merely in outlays.



True to form, Democrats promise that it would raise revenue, actually — *eventually*. In time-honored procrastination fashion, the legislation jiggers with the deduction cap over time, decreasing the cap *in the future*. A typical (and easy to re-jigger) politicians' ploy.

What this is all about is subsidizing the rich in high-tax "blue states" — politically protecting Democrats in California and New York, to name the most obvious two, allowing them to pretend to "soak the rich" and "help the poor," and decreasing the incentive in those states for the rich to leave for lower-tax environments, like Texas and Florida.

Arguably, these "SALT" caps are the worst sort of tax break possible, since they are regional (affecting different states differently) and even partisan. Not to mention regressive.

Instead of "Build Back Better," the Biden plan should be dubbed the "Failed State Bailout."

This is Common Sense. I'm Paul Jacob.