AGN. NO.

RELATES TO A-6
MOTION BY SUPERVISORS MARK RIDLEY-THOMAS AND SHEILA KUEHL **NOVEMBER 21, 2017**

Opposing Congressional Tax Reform Proposals That Would Adversely Impact Vital Public Services and Exacerbate Economic Disparities

There is no piece of legislation that weighs more heavily on Americans' purse strings than the Republican Tax Reform proposals currently making their way through Congress. While few can argue that the current tax code is anything short of byzantine, many of the provisions being considered by the Senate and House of Representatives would have a devastating impact on the ability of federal, state and local governments to provide vital services.

Multiple independent analyses of the Tax Reform measures under consideration by Congress have concluded that the proposals, contrary to the claims of proponents, would actually increase taxes for many middle-class Americans, particularly for those individuals and families that use itemized deductions. Furthermore, because of unique budget-scoring rules associated with tax reform legislation, much of the tax relief for individuals are only temporary and will need to be extended by future Congresses, likely creating additional debt for future generations.

- MORE -

	MOTION
SOLIS	______________________
KUEHL	______________________
HAHN	______________________
BARGER	______________________
RIDLEY-THOMAS	______________________

Corporations, on the other hand, will see relief under the House and Senate Tax Reform proposals through a reduction in the corporate tax rate from 35 to 20 percent. In fact, the legislation currently under consideration in the Senate Finance Committee proposes to make the corporate tax rate cuts permanent while the individual rate reductions would remain temporary. Even more egregious is that the Senate Tax Reform proposes the repeal of the Affordable Care Act's mandate for individuals to purchase health insurance as a "pay-for" to make corporate tax cuts permanent and provide tax relief to the wealthiest individuals.

The House and Senate Tax Reform proposals also undermine local governments' ability to design a tax structure that best provides for the needs of its residents. The elimination of the State and Local Tax (SALT) Deduction on Personal Income and Sales Taxes would result in double-taxation of California residents. Further, many of the tools used by local governments to improve aging infrastructure and increase the supply of affordable housing, such as private activity bonds, tax-exempt bond financing, and low-income housing incentives, would be eliminated or curtailed under the House and Senate tax proposals.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Instruct the Chief Executive Officer and the Washington, D.C. advocates to urge Congress to oppose Tax Reform provisions in the House and Senate proposals which would have a negative impact on Los Angeles County and its 10 million residents, including modification to the SALT deduction, elimination of private activity bonds and other programs that support the production of affordable housing, as well as any provisions that seek to repeal the Affordable Care Act which would result in 13 million Americans losing health care coverage.

# # # #

(KK/FR)