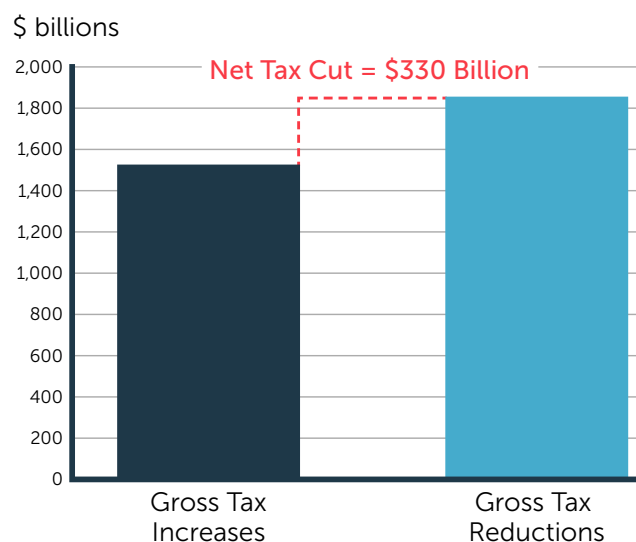


# Corporate Tax Reform Was Fiscally Responsible

The 2017 tax reforms included a mix of corporate tax reductions — including lowering the rate to a more globally competitive 21% — and tax increases. The net corporate tax cut was \$330 billion (not factoring in the additional revenue generated by the pro-growth effects of tax reform).

## 2017 Corporate Tax Reform: A Mix of Tax Reductions and Increases

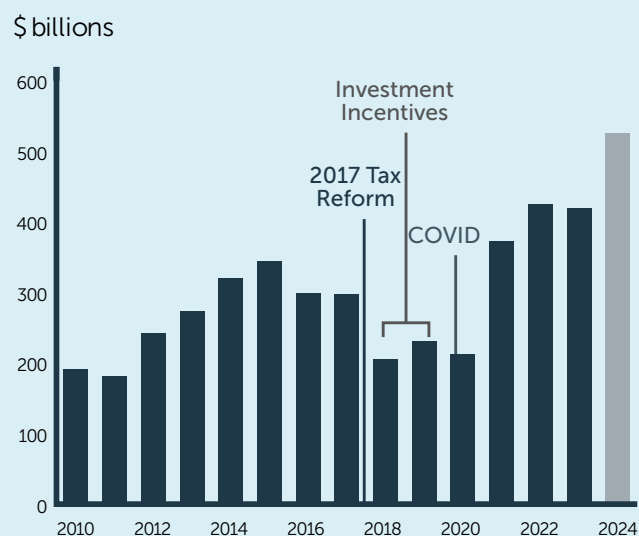
+ Limitation on net interest deductions	\$253.4 billion
+ Limitation on net operating losses	\$201 billion
+ Limiting deductions for insurance companies	\$39.7 billion
+ Elimination of the manufacturing deduction	\$98 billion
+ Limiting employer deductions for categories of comp/benefits	\$50.4 billion
+ Limitations on certain sector specific deductions and credits	\$128.4 billion
+ Increased international taxes through GILTI and BEAT	\$262 billion
<b>Total of Select Provisions</b>	<b>\$1.3 trillion</b>



Source: JCT.

## U.S. Annual Federal Corporate Income Tax Receipts

Despite the 2017 tax reforms' net corporate tax reduction of \$330 billion, corporate tax receipts are at a record high level — due in large part to dynamic economic activity spurred by tax reform.



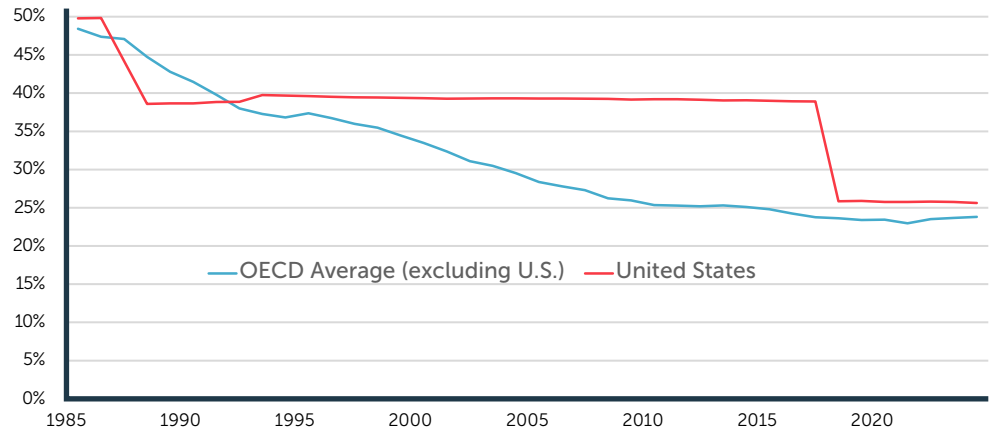
Source: CBO.

# New Corporate Taxes Would Undermine America's Global Competitiveness

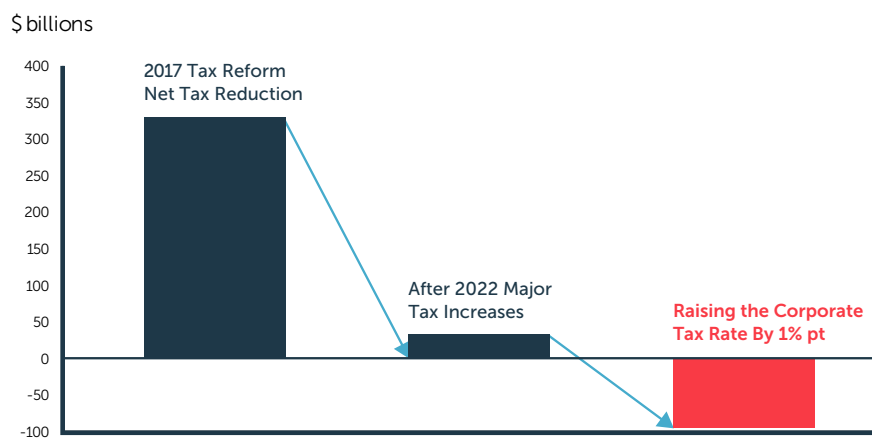
The current combined U.S. corporate tax rate of 25.6% — federal (21%) plus effective state average (4.6%) — is still nearly 2 percentage points higher than the OECD average.

## United States vs. OECD Average, 1985 – 2024

Source: OECD.



U.S. corporations will pay nearly \$300 billion in additional taxes because of the 2022 Inflation Reduction Act.



Source: JCT and CBO.

	\$ billions
2017 Tax Reform Net Tax Cut for Corporations	\$330
2022 Inflation Reduction Act Major Tax Increase	\$296
<b>Net Cut After 2017 and 2022</b>	<b>\$34</b>
Raising the Corporate Income Tax Rate by 1% pt	\$129
<b>Net After a 1% pt Tax Rate Increase</b>	<b>-\$95</b>



Any additional increase to the corporate rate would raise the tax burden on U.S. corporations beyond pre-tax reform levels and undermine America's global competitiveness.