



Issue Essentials:

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Jay Webber Says Tax Cut Boosted Economy - Facts Disagree

Last December Republicans promised to stimulate the economy by passing tax cuts they said would encourage companies to invest in equipment and factories, drive up wages, create jobs, and pay for themselves. Each prediction has flopped. Voters have noticed. But not Jay Webber.

- **Republican promise:** Tax cuts would hike average family income [\\$3,000 to \\$7,000 a year](#).
 - **Fact: Real wages are actually down 0.2% this past year**, adjusted for inflation, reports the [Bureau of Labor Statistics](#). Workers have noticed. Only a third of them report bigger paychecks after the tax cuts, a [result first reported](#) by a CNBC All America Economic Survey in March, with a nearly identical finding in June.
- **Republican promise:** This would be a middle-class tax cut.
 - **Fact:** The tax cuts are really helping the rich. Families in the **top 1% will save nearly \$1,000 a week** on their 2018 federal taxes. Middle-class families (\$48,600 to \$86,100) will save **only \$18 a week**, according to the [Urban-Brookings Tax Policy Center](#). While corporate tax cuts are permanent, **tax cuts for regular taxpayers expire in 2025**.
- **Republican promise:** Corporations will invest tax-cut savings.
 - **Fact:** Companies spent most of their tax cut savings on a [record \\$1 trillion in stock buybacks](#), reports *The New York Times*. Stock buybacks primarily benefit the [richest 10% of taxpayers who own 84% of securities](#), reports the Center on Budget and Policy Priorities. As a result, corporate **capital investments have flatlined**.
- **Republican promise:** Tax cuts will pay for themselves – and pay down the debt – by turbocharging the economy, said [Treasury Secretary Steven Mnuchin](#).
 - **Fact:** The deficit and the federal debt are growing “*at a stunning pace*,” reported [The New York Times](#). The federal deficit will jump by 39% this year and top a record \$1 trillion next year, reports the [Congressional Budget Office](#).

JAY WEBBER says – despite these facts – he’d have voted for the tax bill, [claiming](#), “Our economy is growing faster than it has in years, thanks in large part to smart tax cuts.” He defends the \$10,000 cap on the state/local tax (SALT) deduction as a mere “*blemish*” on the tax bill.

- **Fact:** Under President Obama, [four GDP quarters](#) beat President Trump’s best quarter.
- **Fact:** Monthly job growth averaged 193,000 in Trump’s first 18 months – less than the 206,000 average in Obama’s final 18 months, reports [Business Insider](#).
- **Fact:** Four of the five NJ Republican members of Congress bucked their party by voting against the tax cuts because they were bad for state taxpayers.
- **Fact:** Over [four in 10 NJ taxpayers](#) used the SALT tax break in 2015, receiving an average deduction of \$17,850, according to a [Pew Charitable Trusts report](#).
- **Fact:** The tax cuts are unpopular in NJ, with more voters opposed (41%) than approving (34%), according to a June [Monmouth University Poll](#).

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