

How do the 2016 Presidential Tax Plans Compare So Far?


Bush

Carson

Cruz

Paul

Rubio

Santorum

Trump
10-Year GDP Growth

10%

16.0%

13.9%

12.9%

15%

10.2%

11.5%

10-Year Capital Investment Growth

28.8%

46.6%

43.9%

40.5%

48.9%

29%

29%

10-Year Wage Rate Growth

7.4%

10.9%

12.2%

11.4%

12.5%

7.3%

6.5%

Added Jobs (millions)

2.7

5.2

4.9

4.3

2.7

3.1

5.3

10-Year Static Revenue Estimate (billions)

-\$3,665

-\$5,617

-\$3,666

-\$1,797

-\$6,055

-\$3,223

-\$11,980

10-Year Dynamic Revenue Estimate (billions)

-\$1,610

-\$2,472

-\$768

+\$737

-\$2,401

-\$1,093

-\$10,135



2016 Presidential Tax Plans: Individual Tax Provisions



Bush

- Consolidates 7 brackets into three: 10 percent, 25 percent, and 28 percent.
- Increases standard deduction to \$11,300 for single filers and \$22,600 for married filers.
- Eliminates the state and local tax deduction and caps the value of all other itemized deductions at 2 percent of AGI, except for the charitable deduction.

- Eliminates the Alternative Minimum Tax, the 3.8 percent Net Investment Income Tax, the Estate Tax, the Pease limitation on itemized deductions, and the Personal Exemption Phase-out.
- Taxes carried interest as ordinary income.
- Expands the Earned Income Tax Credit for childless filers.



Carson

- Consolidates 7 brackets into one at 14.9 percent, which applies to all personal income.
- Alters the standard deduction and personal exemption to exempt wage income of a filer under 150% of the federal poverty level.
- Eliminates all tax credits, such as the Child Tax Credit and the Earned Income Tax Credit. The foreign tax credit would remain.
- Eliminates the taxation of dividends, capital gains, and interest income.

- Eliminates all itemized deductions.
- Eliminates the income exclusion for employer-provided health insurance and other fringe benefits.
- Eliminates the Alternative Minimum Tax, the 3.8 percent Net Investment Income Tax, the 0.9 percent Medicare Surtax, and the Estate Tax.
- Eliminates the taxation of Social Security benefits.
- Enacts a \$100 per citizen minimum tax.



Cruz

- Consolidates 7 brackets into one at 10 percent, which applies to all personal income.
- Increases the standard deduction to \$10,000 per filer
- Eliminates all credits except for the child tax credit and the Earned Income Tax Credit.
- Expands the Earned Income Tax Credit by 20%.

- Creates tax-free savings accounts for up to \$25,000 of savings a year.
- Eliminates all itemized deductions except for the charitable deduction and the home mortgage interest deduction.
- Eliminates the payroll tax
- Eliminates the Alternative Minimum Tax, the 3.8 percent Net Investment Income Tax, the 0.9 percent Medicare Surtax, and the Estate Tax.



Paul

- Consolidates 7 brackets into one at 14.5 percent, which applies to all personal income.
- Increases the standard deduction to \$15,000 standard deduction per filer and increases the personal exemption to \$5,000.
- Eliminates all credits except for the child tax credit and the Earned Income Tax Credit.

- Eliminates all itemized deductions except for the charitable deduction and the home mortgage interest deduction.
- Eliminates the payroll tax
- Eliminates the Alternative Minimum Tax, the 3.8 percent Net Investment Income Tax, the 0.9 percent Medicare Surtax, and the Estate Tax.



Rubio

- Consolidates 7 brackets into two: 15 percent and 35 percent.
- Eliminates all itemized deductions except for the charitable deduction and the home mortgage interest deduction.
- Creates new \$2,500 child credit.

- Eliminates the Alternative Minimum Tax, 3.8 percent Net Investment Income Tax, and the Estate Tax.
- Replaces standard deduction and personal exemption with a refundable personal credit of \$2,000.



Santorum

- Consolidates 7 brackets into one at 20 percent, which applies to all personal income.
- Replaces the personal exemption, standard deduction, and Earned Income Tax Credit with a \$2,750 per person credit, not to exceed the filer's earned income.
- Eliminates all itemized deductions except for the charitable deduction and the

- home mortgage interest deduction. Places a tighter cap on the home mortgage interest deduction.
- Eliminates the Alternative Minimum Tax, the 3.8 percent Net Investment Income Tax, and 0.9 percent Medicare Surtax, and the Estate Tax.



Trump

- Consolidates 7 brackets into three: 10 percent, 20 percent, and 25 percent.
- Increases the standard deduction to \$25,000 for single filers and \$50,000 for married filers.
- Steepens the curve of the personal exemption phase-out and the Pease

- limitation on itemized deductions.
- Eliminates the Alternative Minimum Tax, the 3.8 percent Net Investment Income Tax, and the Estate Tax.
- Taxes carried interest as ordinary income.



2016 Presidential Tax Plans: Business Tax Provisions



Bush

- Reduces the corporate income tax rate to 20 percent.
- Allows full expensing of all capital expenses.
- Enacts a territorial tax system that allows a 100 percent exemption on dividends received from controlled foreign subsidiaries.
- Enacts a one-time deemed repatriation tax of 8.75 percent on all foreign

- profits currently deferred.
- Eliminates all other corporate tax expenditures.
- Eliminates corporate Alternative Minimum Tax.
- Eliminates the deductibility of interest expenses.



Carson

- Replaces the current graduated corporate income tax with a flat 14.9 percent tax on corporate income.
- Enacts a territorial tax system that exempts 100 percent of foreign earnings of U.S. corporations from domestic taxation.
- Allows full expensing for all capital investment.
- Eliminates all other credits and deductions not pertaining to cost recovery.

- The foreign tax credit would remain.
- Eliminates the deductibility of interest expenses, but exempts interest income from taxation for non-financial institutions.
- Eliminates the deduction for the employer-side payroll tax.
- Eliminates the corporate Alternative Minimum Tax.



Cruz

- Eliminates the corporate income tax.
- Creates new "business transfer tax" or value-added tax of 16 percent, levied on all business profits, rents, royalties, and payroll. This tax also applies to wages paid by nonprofits and governments.

- Enacts a one-time deemed repatriation tax of 10 percent on all foreign profits currently deferred.



Paul

- Eliminates the corporate income tax.
- Creates new "business transfer tax" or value-added tax of 14.5 percent levied

on all business profits, rents, royalties, and payroll. This tax also applies to wages paid by nonprofits and governments.



Rubio

- Reduces the corporate income tax rate to 25 percent.
- Caps the tax rate on pass-through business income (sole proprietorships, S corporations, LLCs, and partnerships) at 25 percent.
- Allows full expensing of all capital expenses.
- Eliminates most business tax credits and deductions.
- Enacts a territorial tax system that allows a 100 percent exemption on

- dividends received from controlled foreign subsidiaries.
- Enacts a one-time deemed repatriation tax of 6 percent on all foreign profits currently deferred.
- Eliminates the deductibility of interest paid for businesses but exempts interest income from taxation.



Santorum

- Reduces the corporate income tax rate to 20 percent
- Allows full expensing of all capital expenses.
- Eliminates the deductibility of interest paid for businesses.
- Eliminates most business tax credits and deductions.

- Provides manufacturing corporations a full tax exemption that phases out over two years.
- Enacts a one-time deemed repatriation tax of 10 percent on all foreign profits currently deferred.



Trump

- Reduces the corporate income tax rate to 15 percent
- Caps the tax rate on pass-through business income (sole proprietorships, S corporations, LLCs, and partnerships) at 15 percent.
- Ends tax deferral on overseas corporate income.
- Enacts a one-time deemed repatriation tax of 10 percent on all foreign profits

- currently deferred.
- Eliminates all other corporate tax expenditures.
- Eliminates corporate Alternative Minimum Tax.
- Caps the deductibility of interest expenses.