

United States Senate

WASHINGTON, DC 20510

August 11, 2021

VIA ELECTRONIC DELIVERY

Chairman Ron Wyden
Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Wyden:

As the Finance Committee develops reconciliation legislation pursuant to the reconciliation directives in Senate Concurrent Resolution 14, I write to commend your leadership in prioritizing cutting taxes for hard-working families in Illinois, Oregon and across the country, and to express my strong support for including robust tax relief for American households that already pay their fair share in State and local taxes that support critical public services, such as funding local public school teachers, public health personnel, firefighters and the police.

The partisan and punitive actions of former President Donald Trump and Congressional Republicans to hike the tax liabilities of individuals living in so-called “donor” States (whose residents routinely pay more in Federal taxes than they receive back in Federal benefits) made our tax code less fair, instituted double taxation and manipulated the Internal Revenue Code to discourage State and local investment in vital public services. Simply put, the 2017 Republican tax law’s limitation on the State and local tax (SALT) deduction was a transparent attempt to punish States former President Trump perceived as “blue.” It was wrong and must be repealed.

As a Senator committed to strengthening the Federal safety net to help Americans in need of assistance across all States and territories, I am deeply troubled by the intended and unintended consequences that may result from allowing Donald Trump’s double taxation scheme to remain the law of the land. Failure to support responsible State and local governments willing to raise revenue to invest in local teachers, firefighters, law enforcement and other critical support service workers – including civil servants responding to the deadly COVID-19 pandemic – may ultimately trigger a race to the bottom where every State and locality eventually slashes public services to the bone, as residents grow weary of being taxed twice on the same income.

Building back better requires constructing a better tax code. Senate Democrats can demonstrate our commitment to supporting hard-working families by repealing the partisan SALT deduction limitation and ending double taxation for all.

Sincerely,



Tammy Duckworth
United States Senator