



May 15, 2025

The Honorable Jodey Arrington
Chairman, House Budget Committee
204 Cannon House Office Building
Washington, D.C. 20515

Dear Chairman Arrington and Members of the Committee

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, we write to express our **strong support** for the reconciliation bill as written. We recognize that this bill is imperfect and does not satisfy every demand from every member, but its enactment would be a substantial improvement over the status quo. We hope you support its passage and continue to work to refine the legislation over the next several weeks.

At a foundational level, the collective Committee Prints will achieve more than \$1.5 trillion in direct spending reductions—some of the most substantial spending reforms in recent history and an important first step toward additional action to deal with our unsustainable debt. We're particularly pleased to see Committees cancel dozens of Green New Deal-style programs, end the unfair student loan bailout scheme, promote American energy dominance, and much more.

Most importantly, the reconciliation package will reward work over welfare in Medicaid and the Supplemental Nutrition Assistance Program. Targeted changes to the Medicaid program are sorely needed because it has grown significantly since the 1960s and is approaching annual outlays of \$1 trillion with more than 71 million enrollees. It is reasonable to remove illegal immigrants from Medicaid and to establish reasonable work requirements on working age, able-bodied adults. The package also put guardrails on state utilization of funds on their expanded Medicaid populations.

We strongly believe that these changes will shift many current enrollees into better insurance options offered in the workforce—something we should embrace. These changes will protect coverage for those in genuine need over people choosing not to work. However, these provisions could be improved by accelerating the implementation of work requirements before the proposed date of 2029.

These collective savings will help lock in President Trump's 2017 tax law, much of which expires at the end of this year. Without congressional action, almost every taxpayer will see a massive tax hike and smaller paychecks beginning January 1. Thankfully, the proposal before you makes the increased standard deduction from TCJA permanent, keeps the lower tax rates from TCJA that benefited most Americans, and increases exemption levels from the death tax, which, in combination with the extension of key small business deductions, will ensure stability and job growth in small businesses and farms across the country.

The proposal also protects America's competitive edge. For businesses, it renews deductions for interest payments, incentives for U.S. R&D, immediate expensing for capital investments, and makes both the small business deduction and key international provisions permanent. The bill's provisions should help U.S. businesses add an estimated 800,000 jobs and increase the size of our economy.

While NTU strongly supports most provisions in this "One Big Beautiful Bill," there are a few measures included that warrant additional consideration or refinement. We strongly urge the cost recovery provisions—full expensing, R&D, and interest deductibility—to be made permanent to maximize economic growth. Additionally, the new deduction for certain structures should be expanded to all structures and made permanent.

NTU urges Committee members to SUPPORT this pro-taxpayer proposal as part of the larger tax reconciliation package. More work remains to be done, but clearing your Committee will mark a significant step toward delivering the tax relief and government reforms all taxpayers deserve. Thank you for your consideration on this matter and please do not hesitate to contact NTU should you have any questions.

Sincerely,

Thomas Aiello
Senior Director of Government Affairs