Dear Leader McConnell and Speaker Ryan,

“The purpose of cutting taxes now is not to incur a budget deficit, but to achieve the more prosperous, expanding economy which can bring a budget surplus.”

President John F. Kennedy’s comments promoting comprehensive tax reform before the Economic Club of New York more than a half-century ago are just as valid today. America needs a tax cut.

Since January 2011, Republican governors have enacted $62 billion worth of tax cuts for the hard-working people of our states, according to Americans for Tax Reform. Many of these same governors inherited massive budget deficits. Today, many of those same states have budget surpluses, significant job growth and employment levels, and historic funding for priorities like education. Our reforms have been undeniably positive for the hard-working taxpayers we serve and for the bottom line of our states.

Our nation’s tax code, on the other hand, is outdated and in desperate need of reform. Due to incomprehensible regulations and untold pages of forms and instructions, nearly 90% of taxpayers need external help to simply pay their taxes. Across the country, the time and energy spent adds up to some 6 billion hours and $15 billion to $16 billion in tax compliance costs, according to the Internal Revenue Service and the National Federation of Independent Business.

The negative impact on business is just as burdensome. America’s corporate tax rate of 39%, the highest in the world among industrialized countries with advanced economies, drives job creators away from our shores. Since businesses have less money to work with after taxes, it suppresses wages and reinvestment for those that stay.

We need a tax plan that will allow entrepreneurs and small businesses more room to improve, invest and expand, propelling economic growth and creating more family-supporting careers, all while freeing up
Americans to keep more of their hard-earned money. We need to simplify the tax code and reduce the burden on hard-working people all across the United States.

Such streamlining changes, if enacted, would pay huge dividends in driving economic growth and reinvigorating our workforce. With a corporate tax rate comparable to other advanced economies, businesses would be encouraged to do business in America, bringing potentially billions in income and millions of jobs along with them. Eliminating onerous restrictions and regulations would allow businesses to afford to pay employees higher wages and reinvest in their own growth. Meanwhile, middle-class families would earn more, keep more due to a higher standard deduction, save more with less stress, and pass on more to their children without fear of a weighty death tax.

We urge the two chambers to pass meaningful tax reform legislation and send it to the President’s desk. We’ve proven in our states that you can cut taxes, create jobs, and generate budget surpluses all at the same time. If it can work in our states, it can work for America.

Sincerely,

Governor Scott Walker
Wisconsin

Governor Kay Ivey
Alabama

Governor Douglas A. Ducey
Arizona

Governor Asa Hutchinson
Arkansas

Governor Eric Holcomb
Indiana

Governor Kim Reynolds
Iowa

Governor Matt Bevin
Kentucky

Governor Paul R. LePage
Maine

Governor Phil Bryant
Mississippi

Governor Eric R. Greitens
Missouri

Governor Pete Ricketts
Nebraska

Governor Christopher T. Sununu
New Hampshire

Governor Susana Martinez
New Mexico

Governor Doug Burgum
North Dakota

Governor Mary Fallin
Oklahoma
Governor Henry McMaster  
South Carolina

Governor Dennis Daugaard  
South Dakota

Governor Bill Haslam  
Tennessee

Governor Greg Abbott  
Texas

Governor Gary R. Herbert  
Utah

Governor Matthew H. Mead  
Wyoming