

# FACT SHEET

# WORKING FAMILIES TAX CUTS

## USHERING IN A NEW GOLDEN AGE



## Fostering a Main Street Revival

President Trump's Working Families Tax Cuts makes key pro-growth, pro-small business tax policy permanent, allowing Main Street – the backbone of the American economy – the certainty to expand operations, hire more employees, and raise wages.

### Lowers Taxes on Main Street Businesses

- 🏠 On average, the **Working Families Tax Cuts slashes taxes for 12 million small business owners by nearly \$7,000**
  - Permanently extending the **20% Small Business Deduction cuts taxes for 8 million small business owners by \$4,600, on average**

### Permanently Reinstates Immediate R&D Expensing and 100% Full Expensing, Doubles Small Business Expensing

- 🏠 The Working Families Tax Cuts restored immediate deductibility for R&D expenses and allows small business innovators to claim R&D expenses retroactive to 2022
  - Tens of thousands of innovative small businesses can now deduct an additional **\$100 billion of prior year research expenses**, boosting cash flow that will power investment and growth
- 🏠 Permanently providing 100% full expensing and doubling small business expensing allows **Main Street businesses to deduct the full cost of investment immediately**, instead of over many years
  - Allowing small businesses the ability to expense lowers the cost of investment, improves cash flow, and allows projects to move forward; as **businesses invest more, growth increases and fosters a Main Street revival**

### Reduces Burdens for Small Businesses and Main Street Entrepreneurs

- 🏠 **Repeals Democrat's arduous 1099-K reporting regime targeting low- and middle-income taxpayers, reducing the amount of paperwork by up to 10 million Forms 1099-K**
- 🏠 **Increases 1099-MISC/NEC threshold to \$2,000, reducing the filing and paperwork burden for both small business owners and workers by up to 29 million Forms 1099-MISC/NEC**

