By the Numbers: House Republican Tax Agenda Favors the Wealthy and Leaves Millions of Working Families Behind

The House Republican reconciliation bill would give huge tax breaks to wealthy individuals, businesses, and large corporations while leaving behind or raising costs for millions of working families. Here are some of the impacts:

Under the bill, the average family earning less than $50,000 would get under $300 in tax cuts in 2027, less than $1 a day, while the average tax filer earning $1 million or more a year would receive about $90,000 in tax breaks. That's how tilted the bill is to those at the very top, with policies like an even bigger special deduction for wealthy business owners — millionaires get more than half of this break — and an estate tax-free exemption for wealthy heirs of $30 million per couple.

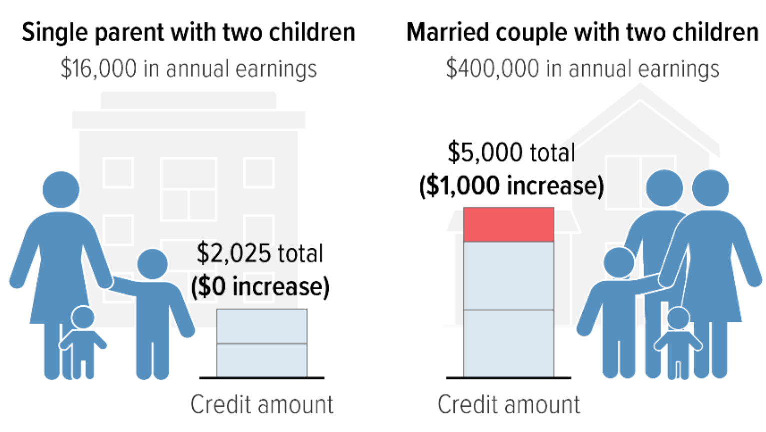
- The benefits of the House Republican bill disappear for everyone except the wealthiest 10 percent when accounting for the rising consumer costs due to President Trump's tariffs. The very same day the House Ways and Means Committee acted on its tax bill, while doing nothing to stop the tariffs, Walmart announced it will soon raise prices because of the Trump tariffs.

The 17 million children who currently don't get the full $2,000 Child Tax Credit because their families' incomes are too low get *nothing* from the $500-per-child increase in the Child Tax Credit in the bill. (See estimates by state and race/ethnicity here; congressional district estimates here.) In total, *up to 20 million children are in working families* that get no help at all or get less than the full $2,500 per child because they don't earn enough.

- A single parent with two children earning $16,000 a year as a home health aide would get *no* additional credit under the bill, while a married couple with two children earning $400,000 a year would receive an extra $1,000.

20 Million Children in Working Families Would Get Less Than Full $2,500 Child Tax Credit Under House Plan

Bill shortchanges children in lower-income families, the bulk of whom get nothing from the proposed increase



Note: Working families are those that have more than $2,500 in earnings.
Source: CBPP calculations for tax year 2026

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

Last year, 169 House Republicans voted to expand the Child Tax Credit; that bill would have benefited the vast majority of the children left out entirely of the current House proposed expansion. At the time, Republican proponents argued that the improvements were pro-work and pro-family.

Eligibility for the Child Tax Credit would be taken away from an estimated 4.5 million citizen or legal permanent resident children under the bill's requirement that both parents have a Social Security number, according to figures published by the Center for Migration Studies. This includes nearly 900,000 children in Texas alone. (See state and congressional district estimates here.)

- This exclusion would apply to families where one parent is a citizen and the other is in the country lawfully but without a Social Security number.

An estimated 17 million working families with children would have to navigate new red tape hurdles to claim the Earned Income Tax Credit (**EITC).** The House bill would require all families with children claiming the EITC to first "pre-certify" their children whom they claim for the credit each year, with some eligible families likely falling through the cracks.

About 22 million people, including 4 million small business owners, would see their health coverage costs skyrocket or would lose coverage altogether next year because the bill fails to extend the premium tax credit (PTC) enhancements, which are critical to making health coverage in the Affordable Care Act marketplace more affordable.

- Without an extension of this vital credit, marketplace enrollees receiving PTCs will see their premiums increase markedly, forcing difficult decisions around their health coverage. As a result, an estimated 4.2 million people will become uninsured by 2034 as costs rise to unaffordable levels.

- The bill also takes *PTCs and Medicare* away entirely from many immigrants who live and work in the U.S. lawfully. (People without a documented status are already ineligible.) Those who would be affected include people with immigration statuses designed to help people in humanitarian need, like those granted refugee or asylee status and victims of trafficking or domestic violence.

The tax provisions would cost nearly $4 trillion, even after making ill-advised cuts of over $500 billion in clean energy incentives designed to spur energy technology transformation in the U.S. The cost would grow if Republicans who are demanding an even larger tax cut for many high-income families based on the amount they pay for state and local taxes are successful.

- This enormous, skewed-to-the-richest expense is driving other House committees to take away health coverage under Medicaid and food assistance under SNAP in an effort to partially offset the tax cuts' cost. Many families who rely on Medicaid to see a doctor and on SNAP to buy groceries will lose more to cuts and tariffs than they gain from the tax cuts.

Updated June 17, 2025