By the Numbers: Harmful Republican Megabill Favors the Wealthy and Leaves Millions of Working Families Behind

Center on Budget and Policy Priorities

The harmful Republican megabill gives 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 enacted law, the average family earning less than $50,000 will get about $250 in tax cuts in 2027, less than $1 a day, while the average tax filer earning $1 million or more a year will receive over $100,000 in tax breaks. That's how tilted the law is to those at the very top, with policies like extending a special deduction for wealthy business owners — millionaires get more than half of this break — and an estate tax exemption for wealthy heirs of $30 million per couple.

- An analysis of the House bill from the Budget Lab at Yale found that benefits disappear for all but the wealthiest 10 percent when you account for the rising consumer costs due to President Trump's tariffs. Given that the final law retains most of the House's flawed provisions, the dynamic is likely similar.

The 17 million children who currently don't get the full $2,000 Child Tax Credit because their parents — who often work important but low-paid jobs — don't earn enough get *nothing* from the $200-per-child increase in the Child Tax Credit in the Republican megabill. (See estimates by state and race/ethnicity here; congressional district estimates here.)

- A single parent with two children earning $16,000 a year as a home health aide will get *no* additional credit and will end up with a total Child Tax Credit less than half the size of higher-income families with two children, who will see their total credit rise to $4,400 for tax year 2025.

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 law's expansion. At the time, Republican proponents argued that their proposed improvements were pro-work and pro-family.

Eligibility for the Child Tax Credit will be taken away from children who are U.S. citizens or have a lawful immigration status under the bill's requirement that at least one of their parents have a Social Security number — a provision that affects roughly 2 million children by one Migration Policy Institute estimate.

About 22 million people, including 4 million small business owners, will see their health coverage costs skyrocket or will 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 (ACA) marketplace more affordable.

- Without an extension of this vital credit enhancement, marketplace enrollees receiving PTCs will see their premiums increase markedly, forcing difficult decisions around their health coverage. An estimated 4.2 million people will become uninsured by 2034 as costs rise to unaffordable levels.
- The bill will also result in many immigrants who live in the U.S. lawfully (people without a documented status are already ineligible) losing health insurance through Medicaid, the Children's Health Insurance Program, the ACA marketplaces, and Medicare. Those who would be affected include people with immigration statuses designed to help people in humanitarian need, like refugees, people granted asylum, and certain victims of domestic violence and sex or labor trafficking.

The tax provisions will cost about $4.5 trillion, even after making ill-advised cuts totaling more than $500 billion in clean energy incentives designed to spur energy technology transformation in the U.S. The cost would grow if Republicans extend many of the temporary tax cuts like the increase in the cap on the deductible amount of state and local taxes from $10,000 to $40,000, which expires after 2029.

- This enormous, skewed-to-the-richest expense drove other provisions in the law to take away health coverage under Medicaid and food assistance under SNAP in an effort to partially offset the tax cuts' cost. 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.

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