

The Honorable Chairman Kevin Brady

The Honorable Richard Neal

Dear Chairman Brady and Ranking Member Neal:

As members of the faith community, we know that tax decisions are moral decisions. Taxation choices show who we preference as a nation and who pays the price. These choices determine who and what we care about as a nation. All of our faiths teach us that the center of our concern should be those at the economic margins of our society. Therefore, we, the interfaith community, are speaking with one voice.

We must oppose H.R. 1, the Tax Cut and Jobs Act, because the bill violates our faith values as well as the fundamental issues of tax fairness and fiscal discipline.

First, the Tax Cut and Jobs Act is fiscally irresponsible. It grows the deficit by \$1.5 trillion over ten years. Growing deficits and debt threaten not only the fiscal health of our country, but they also threaten future funding for the programs that help countless families put food on the table and provide for their children. This additional \$1.5 trillion in lost revenues will lead directly to future cuts in critical anti-poverty programs and low-income services including Medicaid, SNAP, low-income housing assistance, and other critical services for families struggling to make ends meet. The tax system should be structured to support investments in programs that create economic opportunity and ensure dignity for all, especially families struggling to make ends meet. This bill violates the moral responsibility to care for the vulnerable.

The Tax Cut and Jobs Act makes the tax code more regressive, taking a larger percentage of income from low-income earners than that being taken from high income earners. The tax breaks included in the legislation are not targeted to low- and moderate-income individuals. Provisions such as repealing the estate tax, lower rates for pass-through income, and the lower tax rate for income between \$480,000 and \$1 million will give enormous benefit to those at the top. This proposal is the exact opposite of a moral mandate to focus on those who struggle the most.

At the same time low-income families are left out of the benefits of H.R. 1. The bill increases the Child Tax Credit, but without making the additional credit refundable or making any improvements for low-income households, 10 million children are completely left out of any benefit increase. We have grave concerns about the cuts to the Child Tax Credit and the American Opportunity Tax Credit for immigrant families. We also strongly oppose the way in which H.R. 1 inhibits low-income working families from accessing the Earned Income Tax Credit (EITC), arguably the most effective anti-poverty, pro-mobility program in the country. Yet again this bill fails a basic moral test.

Rather than cutting these key anti-poverty investments for working families, a morally faithful way forward would have Congress, at the very minimum:

1. Expand the Earned Income Tax Credit so that no worker is taxed into poverty
2. Expand the Child Tax Credit for low income workers so that those who need the credit most, benefit

3. Expand the American Opportunity Credit on a longer term basis, so that students can more easily afford higher education which is critical for success, and restoring education tax benefits that were previously cut.

These are faithfully moral choices that Congress can make.

We call on Congress to put the needs of working families and struggling communities first in creating a just tax system. We are called on by all our faith traditions to prioritize struggling families and vulnerable communities in our laws and policies. We respectfully ask you to ensure that any tax changes taken as part of our tax debate be founded on principles of fairness and shared commitment to the common good.

Sincerely,

American Baptist Home Mission Societies
American Health Professionals (AMHP)
Bread for the World
Congregation of Our Lady of Charity of the Good Shepherd, US
Franciscan Action Network
Interfaith Worker Justice
Islamic Relief USA
Jesuit Conference, Office of Justice and Ecology
Leadership Conference of Women Religious
National Advocacy Center of the Sisters of the Good Shepherd
NETWORK Lobby for Catholic Social Justice
Saint Mark Presbyterian Church
Sisters of the Holy Cross
Our Lady of Victory Missionary Sisters
The Poligon Education Fund
Faith Action Network – Washington State
United Church of Christ, Justice & Witness Ministries
Unitarian Universalists for Social Justice