

Congressional Republicans' Five-Part Plan to Increase Inflation and Costs for American Families

Congressional Republicans have laid out their mega MAGA trickle-down economic plan clearly. Their economic plan will raise costs and make inflation worse. Their five part plan includes:

1. \$3 trillion in tax cuts skewed to the wealthy – which would add to the deficit and make inflation worse

“GOP wants to push to extend Trump tax cuts... Republican lawmakers gear up to push 2017 tax law after midterm elections, despite potential impact on inflation.” [Washington Post 10/17/22](#)

Congressional Republicans are calling for extending expiring provisions of the Trump tax cuts and repealing Inflation Reduction Act (IRA) provisions that require large, profitable corporations to pay taxes and stop wealthy people and corporations from cheating on their taxes. These tax policies would **add about \$3 trillion to deficits over 10 years**, Congressional Budget Office and Joint Committee on Taxation [estimates show](#). By adding to near-term deficits, the tax cuts would increase inflation and work against efforts to bring inflation down in 2023.

And, these tax cuts would disproportionately benefit the wealthy. Under the Congressional Republican plan, **the top 0.1 percent of Americans (with incomes over \$4 million per year) would get tax cuts averaging over \$110,000 per year**, [Tax Policy Center estimates](#) show. That’s an annual tax cut that exceeds the typical American household’s total annual income.

2. Raising prescription drug costs for millions of seniors

“House GOP eyes repeal of Dems’ drug pricing law ... Some key House Republicans are calling for the repeal of Democrats’ newly-passed drug pricing measure.” [Axios 9/23/22](#)

“Because those drug provisions are so dangerous... I would imagine [repealing the Inflation Reduction Act’s prescription drug policies] will be a top priority for Republicans in the new session.” [Rep. Kevin Brady \(Ranking Member, Ways and Means Committee\)](#)

Repealing the IRA prescription drug provisions would **increase prescription drug prices** by eliminating the requirement that drug companies pay rebates to Medicare when they raise prices faster than inflation, as they did for [1,200 drugs](#) from 2021-2022. It would expose **millions of Medicare beneficiaries to the risk of higher costs** by eliminating the IRA’s \$2,000 cap on drug costs at the pharmacy, and **immediately increase Medicare beneficiaries’ costs for insulin**.

3. Increasing health insurance premiums

The IRA provisions making Affordable Care Act (ACA) premiums more affordable “bribe people into Obamacare,” give help to “people making over 400 percent of the poverty line, a group that was never intended to get subsidies under the original ACA,” “hide the true cost of health insurance,” and make “working taxpayers pay for Obamacare subsidies.” [Ways and Means Committee Minority press releases: 8/8, 8/10](#)

Repealing the IRA improvements to ACA premium tax credits would raise health insurance premiums by an average of **about [\\$800 for 13 million people](#)** starting next year, with **[about 3 million people becoming uninsured](#)**. And if Congressional Republicans repeal the IRA provision that lets middle-class people get ACA premium tax credits, a 60-year old making \$60,000 would pay over \$10,000 for marketplace coverage in most states, versus half that today.

4. Increasing energy bills in 2023 and beyond

“GOP leaders have discussed using the debt limit and government shutdown fights to press for cuts to clean energy spending — which many experts view as necessary to slow climate change — approved as part of the Inflation Reduction Act, Biden’s signature economic legislation.”
[Washington Post, 10/25](#)

The Congressional GOP plan will **eliminate tax credits that will save Americans thousands of dollars starting next year** if they buy an electric vehicle, weatherize their homes, install a super-efficient heating and cooling system like a heat pump, install rooftop solar, or make other investments that will also directly cut their energy bills. Independent experts expect these clean energy provisions will [cut households’ electricity bills](#) by hundreds of dollars per year.

5. Increasing student loan payments

“[Student debt relief is] too significant to allow the Secretary to act without Congressional approval... This student loan debt scheme is not a legal or responsible policy...”
[Rep. Virginia Foxx \(Ranking Member, Education and Labor Committee\) and 22 House Republicans, 9/7/22](#)

Republican officials are suing to block the Biden administration’s student debt relief plan. If they succeed, that would mean higher debt payments for **the over 40 million Americans who could benefit from up to \$20,000 in student debt relief**. The vast majority of that relief ([nearly 90 percent of all relief dollars](#)) will go to those earning less than \$75,000.

BONUS: Congressional Republicans are threatening the global economy to cut Social Security or Medicare

Sen. Rick Scott has called for putting Medicare and Social Security on the chopping block [every five years](#). Sen. Ron Johnson has gone even further and [said](#) Medicare and Social Security should be put up for a vote every single year.

Congressional Republicans keep declaring they will hold the American economy hostage by putting the full faith and credit of the United States at risk in order to cut Medicare and Social Security. Rep. Kevin McCarthy [endorsed](#) the idea, and Rep. Nancy Mace [said](#) Sunday “I support this strategy.”

And the Republican Study Committee, which represents a majority of House Republicans, has proposed a specific [plan](#) to cut Medicare and Social Security benefits, including through privatization and raising the eligibility age.

Congressional Republicans will deny seniors’ benefits they have already paid into.