Written by WisDems Press, Hannah Menchhoff Thursday, 30 June 2022 20:16 - Last Updated Saturday, 02 July 2022 10:23



So, who benefited the most? PolitiFact Wisconsin says the numbers show most of the benefit went to the wealthy and not the small mom and pop businesses.

Madison, Wis. – A recent PolitiFact gave a "True" rating to the claim that "that the tax carve out Sen. Johnson spearheaded overwhelmingly benefited the wealthiest over small businesses."

<u>WTMJ4</u>: PolitiFact Wisconsin: Who benefited most from GOP tax cut spearheaded by Sen. Johnson?

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The debate over who benefited the most from a tax cut supported by Senator Ron Johnson is already a big issue in the 2022 election.

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In 2017, Republican Sen. Johnson pushed to include a tax cut under President Donald Trump for what's called "pass-through companies."

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PolitiFact Wisconsin: Tax Carve Out Sen. Johnson Spearheaded Overwhelmingly Benefited the Wealthies

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They are not subject to corporate taxes and instead pass through businesses report their income on individual tax returns.

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PolitiFact Wisconsin says many small businesses are set as pass-through companies, but so are other businesses, including one Johnson was involved at the time.

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So who benefited the most? PolitiFact Wisconsin says the numbers show most of the benefit went to the wealthy and not the small mom and pop businesses.

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"In fact, in an April 2021 study from the National Bureau of Economic Research, which is part of the Treasury Department, under the top 1% of Americans by income received nearly 60% of the tax savings created by the provision, "said Borowski. "And most of that amount went to the top 0.1%."

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PolitiFact Wisconsin said the dollar amounts definitely favored those at the top

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"Even if you look at the top 10% of those getting the cut, they received \$12 billion in total, while the other 90% got half of that about \$6 billion." Borowski said.

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PolitiFact Wisconsin rated the Democratic Party's claim True.