

As Americans struggle to afford gas and food, Elissa Slotkin voted for legislation that could lead to about \$1 trillion in tax hikes on American workers and businesses and result in the highest tax rate in the developed world.

BACKUP:

In the fall of 2021, Americans—including Michiganders—struggled to afford gas and food due to inflation:

- ***Detroit Free Press* headline: “Michigan’s price hikes some of the worst in the country.”**  
(Susan Tompor, “Michigan’s price hikes some of the worst in the country,” [Detroit Free Press](#), 11/17/21)
- **Between October 2020 and October 2021, the consumer price index increased by 6.6% in the Midwest, including Michigan.** “The shock effect in the Midwest is even worse for consumers when they head to restaurants, the supermarket and the gas station. In the Midwest, including Michigan, the consumer price index jumped by 6.6% in October from a year ago.” (Susan Tompor, “Michigan’s price hikes some of the worst in the country,” [Detroit Free Press](#), 11/17/21)
- **In November 2021, consumer prices surged at the fastest pace in nearly four decades in November.** “Consumer prices surged at the fastest pace in nearly four decades in November as Americans paid more for practically everything from groceries to cars to gasoline, solidifying hot inflation as a key trait of the economic recovery.” (Megan Henney, “US Inflation Surges To 39-Year High As Consumer Prices Soar,” [Fox News](#), 12/10/21)
- **Inflation has put pressure on consumers.** “Higher prices are putting pressure on consumers, with inflation adding as much as \$250 a month to living expenses, and businesses, which are scrambling to keep up with rising materials and labor costs.” (Gwynn Guilford, “U.S. Inflation Rate Accelerates to a 40-Year High of 7.5%,” [The Wall Street Journal](#), 2/10/22)
  - **In November 2021, the *Detroit Free Press* reported that many college students and grads have “not had not to worry much until lately” about price hikes on food.** “While many college students and grads certainly saw tuition climb, many have not had to worry much until lately about price hikes on clothing or food.”  
(Susan Tompor, “Michigan’s price hikes some of the worst in the country,” [Detroit Free Press](#), 11/17/21)
- **A November 2021 survey revealed that inflation was inflicting pain on millions of U.S. households, with nearly half reporting that higher prices were causing some form of hardship.** “Inflation is inflicting financial pain on millions of U.S. households, with almost half reporting that higher prices are causing some form of hardship, according to a new survey from Gallup.” (Aimee Picchi, “Inflation causing hardship for almost half of American households,” [CBS News](#), 12/2/21)

*Editor’s Note:* The [survey](#) was conducted from November 3 – 16, 2021.

- **“Many items with the strongest price hikes are essentials that Americans can’t skip or postpone purchasing, such as fuel, heating oil and food.”** (Aimee Picchi, “Inflation causing hardship for almost half of American households,” [CBS News](#), 12/2/21)

- **Food prices increased by 6% in the Midwest, including a 10.9% spike in the prices of meats, poultry, fish, and eggs.** “Food – which includes items you buy at the supermarket as well as what you spend at restaurants and takeout – was up 6% in the Midwest over the year. In that category, there was a 10.9% spike in the prices of meats, poultry, fish and eggs.” (Susan Tompor, “Michigan’s price hikes some of the worst in the country,” [Detroit Free Press](#), 11/17/21)
  - **Inflation was “heating up” as prices climbed for things like bacon, chicken wings, and gas at the pump.** “Inflation is heating up in the headlines as prices climb higher for things like bacon, rent, chicken wings, gas at the pump and both new and used cars and trucks.” (Susan Tompor, “Michigan’s price hikes some of the worst in the country,” [Detroit Free Press](#), 11/17/21)
- **In Michigan, gas prices increased by an average of \$1.33 per gallon between November 2020 and November 2021.** “In Michigan, the average price for a gallon of gas was \$3.39 as of Nov. 15, according to GasBuddy.com. That was down 5.2 cents on average from the week earlier when gas was nearly \$3.45 a gallon. In the past year, the average price of gas went up \$1.33 a gallon from an average of \$2.06 in Michigan in mid-November.” (Susan Tompor, “Michigan’s price hikes some of the worst in the country,” [Detroit Free Press](#), 11/17/21)
  - **The rising price of gasoline has put pressure on some Michiganders’ household budgets.** “Walberg said he’s increasingly hearing from constituents that the rising price of gasoline is putting a lot of pressure on their household budgets.” (Kalea Hall and Riley Beggin, “Get ready for high energy costs this winter in Michigan, especially propane users,” [The Detroit News](#), 11/11/21)

**On November 19, 2021, Elissa Slotkin voted for H.R. 5378, the Build Back Better Act:**

- **On November 19, 2021, Elissa Slotkin voted for H.R. 5376, the Build Back Better Act.** (H.R. 5376, [Roll Call 385](#), Passed 220-213: R 0-212, D 220-1, Slotkin Voted Yea, 11/19/21)

*Editor’s Note: The version of the Build Back Better Act referenced is the one that passed the House of Representatives on November 19, 2021, and has not been passed by the Senate or signed into law.*

**Build Back Better could lead to about \$1 trillion in tax hikes on American workers and businesses, force middle class Americans to shoulder the burden of new corporate taxes, and result in the highest tax rate in the developed world:**

- **Build Back Better could lead to \$530 billion in tax hikes on American workers and \$470 billion in tax hikes on corporations.** “On a conventional basis, the House bill would raise about \$1 trillion in federal revenue from 2022 to 2031. The bill includes about \$1.7 trillion in gross revenue raisers, composed of about \$470 billion in corporate tax increases, \$530 billion in individual tax increases, \$148 billion net from additional IRS tax enforcement, \$340 billion from the drug pricing provisions, and about \$177 billion in net revenue from Ways & Means items scored by the Joint Committee on Taxation (JCT) and Congressional Budget Office (CBO).” (Alex Durante, Cody Kallen, Huaqun Li, William McBride, Alex Muresianu, Erica York, Garrett Watson, “House Build Back Better Act: Details & Analysis of Tax Provisions in the Budget Reconciliation Bill,” [Tax Foundation](#), 12/2/21)

- **The Committee for a Responsible Federal Budget determined that the increase in corporate taxes would result in an indirect tax burden for “some percentage of households in every income group.”** “By comparison, only about one-third of those in the top 1 percent of earners and one-fifth of those within the 95<sup>th</sup> and 99<sup>th</sup> income percentiles would face a higher tax burden. While the bill does not directly increase taxes on anyone earning less than \$400,000 per year, some percentage of households in every income group would end up with higher *indirect* tax burdens because of higher corporate taxes. TPC and other estimators believe corporate tax increases ultimately flow through to retirement accounts, wages, and other sources of income across the income spectrum.” (Committee for a Responsible Federal Budget, “Two-Thirds of the ‘One Percent’ Get a Tax Cut Under Build Back Better, Due to SALT Relief,” [Blog](#), 12/10/21)
  
- **The National Federation of Independent Business determined that the Build Back Better Act would hit small businesses with “significant tax increases, inflexible mandates, and unaffordable penalties.”** “By passing the Build Back Better Act, the U.S. House has proposed saddling small businesses with significant tax increases, inflexible mandates, and unaffordable penalties,’ said Kevin Kuhlman, NFIB Vice President of Federal Government Relations. ‘Small businesses are facing numerous challenges right now, including the inflation tax, supply chain disruptions, worker shortages, and COVID-19 variants and restrictions. These additional burdens will severely hurt small businesses across the country, threaten the small business recovery, and punish Main Street.’” (National Federation of Independent Business, “NFIB: House’s Build Back Better Act Would Harm Small Business Recovery,” [Press Release](#), 11/19/21)
  
- **Build Back Better would result in the highest income tax rate in the developed world.** “Under the latest iteration of the House Build Back Better Act (BBBA), the average top tax rate on personal income would reach 57.4 percent, giving the U.S. the highest rate in the Organisation for Economic Co-operation and Development (OECD). All 50 states plus the District of Columbia would have top tax rates on personal income exceeding 50 percent.” (Alex Durante and William McBride, “Top Tax Rate on Personal Income Would Be Highest in OECD under New Build Back Better Framework,” [Tax Foundation](#), 11/1/21)

**According to the Tax Foundation, the Build Back Better Act would likely require large tax increases on the middle class:**

- **According to the Tax Foundation, the Build Back Better Act would likely require large tax increases on the middle class.** “Because the U.S. income tax is so progressive, in fact more progressive than income taxes in Europe, completely flattening the U.S. income tax would actually raise large amounts of revenue while boosting the economy. For instance, replacing the current progressive income tax with a flat income tax rate of 20 percent applicable to all taxable income would generate \$1.1 trillion in tax revenue over 10 years, increase GDP by 1.3 percent, and add 1.2 million jobs. It would, however, be a large tax increase on the middle class, reducing after-tax incomes of the middle quintile of earners

by about 5 percent initially and 3 percent in the long run.” (William McBride, “Permanent Build Back Better Act Would Likely Require Large Tax Increases on the Middle Class,” [The Tax Foundation](#), 12/15/21)