

Updated July 1, 2025

Top Three Ways the Big, Ugly Bill Hurts the American People

From tax hikes for working families to handouts for the wealthy, the GOP's reconciliation bill spells disaster for working- and middle-class Americans

1. Gives tax breaks to the wealthy while raising costs and cutting essentials for working- and middle-class people.

→ It raises taxes on working-class families and gives a massive tax cut to the rich.

- ◆ People who make \$51K a year or less would end up paying more on their taxes, while multi-millionaires get a massive tax cut.

→ It raises healthcare costs.

- ◆ Raises average annual premiums by roughly \$625 for the 20M+ people who get health coverage through the Affordable Care Act marketplace. Many Americans will be kicked out of the marketplace altogether.

→ It increases utility bills.

- ◆ Repeals nearly all clean energy tax credits, raising household electricity prices by up to \$400 a year.

→ It makes college more expensive.

- ◆ Limits eligibility for Pell grants. 4.4M students could be required to pay an extra \$7,400 for a bachelor's degree or \$3,700 for an associate degree.

→ It raises the cost of student loans.

- ◆ The average student loan borrower would see their payments rise by \$244 per month.

2. Removes kids from the Child Tax Credit, driving millions of families into poverty or economic instability

→ The Child Tax Credit proposal could push up to 2 million kids into, or deeper into, poverty.

- ◆ It would kick off 2.6 million American kids in mixed-status families who are currently eligible for the credit simply because their parents are immigrants. These are children with Social Security Numbers who are US citizens or legal permanent residents.

- ◆ It would do nothing for the 17 million lowest-income kids locked out of the full credit because their parents' income is too low.

3. Makes deadly cuts for millions of low and mid-income Americans who rely on Medicaid, Medicare, and SNAP

→ **The bill proposes over \$1.5 TRILLION in cuts to Medicaid, Medicare, and food security.**

- ◆ The Senate version of the bill would cut \$930 billion from Medicaid, the Affordable Care Act, and Medicare and cause 17 million people to lose their health insurance.
- ◆ The bill adds trillions to the deficit and would thus force about \$500 billion in automatic cuts to Medicare.
- ◆ The House version of the bill proposes nearly \$300 billion in cuts to SNAP, and could kick 3.2 million people off the program in an average month.