



Congress of the United States
House of Representatives
Washington, DC 20515

February 10, 2025

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Jason Smith
Chairman
House Committee on Ways and Means
1139 Longworth House Office Building
Washington, DC 20515

Dear Speaker Johnson and Chairman Smith:

As the expiration of the Tax Cuts and Jobs Act (TCJA) approaches, the Blue Dog Coalition writes to express our desire to work together to pursue a bipartisan, fiscally responsible solution that supports our seniors and hardworking families.

The nonpartisan Congressional Budget Office found that fully extending the TCJA would add an astonishing \$4.6 trillion to the federal deficit over ten years after accounting for interest.¹ Additionally, the Treasury Department found that an extension would disproportionately benefit the top 0.1% of earners (those earning over \$3.5 million), saving them over \$300,000 in tax bills every year, compared to the benefit for the average household on Main Street of \$2,000.²

In 2024, the United States spent \$882 billion on interest costs to service the national debt, over 25% more than the \$659 billion paid in 2023 and almost triple the amount paid in 2020. Last year, for the first time, debt servicing costs were the second highest government expenditure behind social security, costing more than all defense spending. We spent more on interest payments than on education, veterans, and transportation combined. Extending the TCJA would add over \$600 billion in additional debt-servicing costs over the next decade, adding to the already unsustainable fiscal situation.

Using deficit spending to pay for the tax cuts and increase the national debt will make life more expensive for middle class and working people today. Excessive deficits make inflation worse and drive up long-term interest rates, making it more expensive for our constituents to finance a home, a car, an education, or start a business.

¹ Congressional Budget Office. (2024, May 8). *Budgetary Outcomes Under Alternative Assumptions about Spending and Revenues*. <https://www.cbo.gov/publication/60114>.

² U.S. Department of Treasury. Office of Tax Analysis. (2025, January 10). *The Cost and Distribution of Extending Expiring Provisions of the Tax Cuts and Jobs Act of 2017*. <https://home.treasury.gov/system/files/131/The-Cost-and-Distribution-of-Extending-Expiring-Provisions-of-TCJA-01102025.pdf>.

Instead of adding to the national debt and exacerbating Congress' unsustainable budgeting issues while mostly helping the wealthiest people in the country, we believe that the expiration of the TCJA presents an opportunity to pursue a bipartisan, budget-neutral solution that supports everyday people. This can be achieved by a targeted extension of the TCJA tax benefits for the working and middle class—Americans who need them the most. These tax cuts should be offset by a mix of spending cuts and increased revenue to make sure everyone pays their fair share.

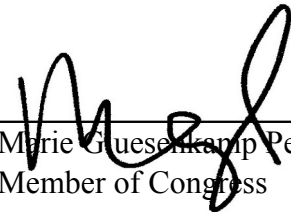
We have long prioritized fiscally responsible policies that encourage economic growth, and the new tax policy must strengthen the middle class, hardworking families, and seniors, not penalize them. We believe targeted spending reforms and increased revenue to reduce the national deficit while spurring our nation's economic competitiveness can be enacted to help everyday Americans.

Thank you for your consideration. We stand ready to work with you in a bipartisan manner to deliver fiscally responsible legislation that benefits seniors, working families, and the middle class.

Sincerely,



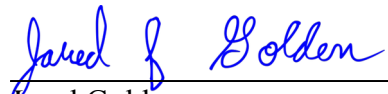
J. Luis Correa
Member of Congress



Marie Guesenkramp Perez
Member of Congress



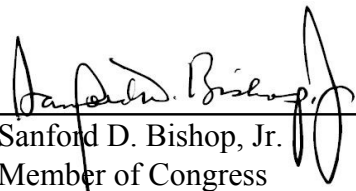
Vicente Gonzalez
Member of Congress



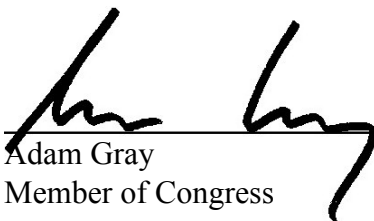
Jared Golden
Member of Congress



Jim Costa
Member of Congress



Sanford D. Bishop, Jr.
Member of Congress



Adam Gray
Member of Congress