



# COALITION ON HUMAN NEEDS

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Dear Representative:

The Coalition on Human Needs strongly urges you to vote no on H.R. 1105, legislation to repeal the estate tax. We are an alliance of human service providers, faith groups, policy experts, civil rights, labor, and other advocates on behalf of the needs of low-income and vulnerable people, and well understand that repealing the tax on inheritances would deepen the deficit by \$269 billion over the next decade.

Repealing the estate tax would be a grossly irresponsible act, both because of the loss of needed revenue and because it would worsen current record-breaking levels of inequality. The wealthiest one-tenth of one percent now own 22 percent of the nation's wealth, up staggeringly from 7 percent in 1978. They are the last people in America to need an extra break. But the richest heirs – those inheriting the 318 estates in 2016 worth \$50 million or more – would receive a tax break averaging \$20 million each if the estate tax were repealed. In all, only about 5,400 estates are subject to the tax – only 2 out of 1,000 estates. None of these estates will be worth less than \$5.4 million next year; heirs will gain an average of \$2 million each.

Estate tax repeal is a clear choice to further enrich millionaire and billionaire heirs at the expense of everyone else. \$269 billion could do a great deal to invest in our future: over the next ten years, it could fund pre-school for all four year olds (\$75 billion); expand child care assistance (\$82 billion), increase the Earned Income Tax Credit for workers without children (\$60 billion), and continue the home visiting program for infants (\$10 billion).

Rationales advanced to justify repeal are based on misinformation. For example, only 20 small businesses and family farms owed any estate tax in 2013, plus another 100 large farms. Repeated assertions that the estate tax hurts small businesses are not supported by facts. Further, the effective estate tax rate averages only about 17 percent; far less than the maximum rate. Tax cuts at the top do not generate appreciable economic growth. A recent [paper](#) by University of Chicago economist Owen Zidar found that “...the effect of tax cuts for the top 10% on employment growth is small.”

We strongly urge your no vote on estate tax repeal. Do not vote to increase the concentration of wealth in very few hands. Please stand for maintaining this fair source of revenue to increase opportunities for all.

Sincerely yours,

Deborah Weinstein  
Executive Director  
Coalition on Human Needs