

America's Tomorrow: Equity Is the Superior Growth Model

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This tax season, as partisan debate continues to dominate Capitol Hill, the U.S. federal government will quietly spend over [half a trillion dollars](#) on tax programs to help American households build wealth. Indeed, these annual investments will promote wealth — for those who already have it.

This is one of the great — and often overlooked — tragedies of our tax code: Congress spends billions of dollars each year on a tax program that is making wealth inequality worse.

According to [research](#) by the Corporation for Enterprise Development (CFED), every year the federal government spends more than \$660 billion on tax credits, deductions, reduced tax rates, and other measures intended to promote wealth-building activities, such as buying a home, saving for retirement, or investing in higher education. In practice, however, these wealth-building “tax expenditures” — as they are called — grossly favor America’s richest households, ensuring that those with wealth can maintain and grow their assets, while the vast majority of Americans receive next to nothing.

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