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‘There Are No Yachts in Falls Church’: Debate Over State and Local Tax Deduction Flares.

GOP House members say Democrats’ claim that eliminating the deduction has hurt ordinary taxpayers is a “false narrative.”

Local government officials made a case to U.S. House lawmakers on Tuesday that the recently imposed cap on a federal deduction for state and local taxes is hurting their communities.

These claims elicited pushback from Republicans, who countered that restoring the so-called SALT deduction in full would mainly be a boon to wealthier Americans. The GOP lawmakers also suggested lower state and local taxes might help alleviate pain for taxpayers.

The local officials testified on Capitol Hill a day after the nonpartisan Joint Committee on Taxation released estimates showing that if the cap were repealed, about \$40 billion of the \$77 billion in reduced tax liability in 2019 would benefit people earning \$1 million or more.

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Route Fifty

By Bill Lucia,

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