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Cities to Congress and the Administration: Tax Reform Must Respect Local Authority.

WASHINGTON — August 30, 2017 — This afternoon, during a speech in Springfield, Missouri, President Donald Trump outlined his plan for tax reform. While the speech did not provide many details on specific measures the president hopes to advance, it did reinforce the president's intention to simplify the tax code through comprehensive reform. In response to today's speech, National League of Cities President Matt Zone, councilmember, Cleveland, released the following statement:

> "City leaders applaud any effort to streamline our tax code, and welcome the president's emphasis on Main Street in the tax reform process. The federal government, however, should not attempt to place the burden of reform on cities and the hundreds of millions of residents who call them home.
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> "While the administration and Congress have yet to provide details, the president has reiterated his plan to broadly target key deductions for elimination. As local leaders, we remain deeply concerned that the tax exempt status of municipal bonds and the state and local tax deduction may be eliminated in a misguided attempt to offset the costs of lower tax rates for top income brackets and corporations.
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> "Each day, state and local governments rely on these critical provisions of the current tax code to calibrate their own local tax rates and raise the revenues necessary to keep housing prices and markets stable, build and maintain infrastructure along main street, fund our schools and educate our children, and keep our communities and law enforcement officers safe. Eliminating these deductions would place tremendous pressure for cities to lower taxes and further strain local budgets already bracing for cuts to city funding in the Fiscal Year 2018 federal budget.
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> "Cities, states and counties are not a special interest tax loophole. Rather, they are the bedrock of our federal democracy that expect the continued flexibility to raise the necessary funds to address the concerns and challenges unique to their communities. We urge Congress to respect local authority and include city leaders in their ongoing discussions on tax reform.

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The National League of Cities (NLC) is dedicated to helping city leaders build better communities. NLC is a resource and advocate for 19,000 cities, towns and villages, representing more than 218 million Americans

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