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4 States Just Sued Over the Federal Tax Law. Here's Why They Might Lose.

Connecticut, Maryland, New York and New Jersey argue that new GOP tax policies violate states' rights and unduly punish their populations.

Four blue states sued the federal government on Tuesday over tax changes that the GOP-controlled Congress adopted in December.

Connecticut, Maryland, New Jersey and New York filed a joint lawsuit alleging that the federal government's new \$10,000 cap on deductions for state and local taxes is unjust because it violates the U.S. Constitution's Equal Protection Clause and the 10th Amendment, which protects states' rights.

Calling the deduction cap an "unconstitutional assault" on state governance, the lawsuit accuses the federal government of meddling in state taxation and fiscal policies by making it more difficult for them, politically, to raise revenue if needed.

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