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Politics

Trump Tax Cuts' Cost Estimated at \$5 Trillion to \$11 Trillion



Trump pitched his latest tax-cut priorities in a closed-door meeting with House Republican leaders Thursday. *Photographer: Eric Lee/Bloomberg*

By [Steven T. Dennis](#)

February 7, 2025 at 3:21 PM UTC



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President Donald Trump's tax cut wish list would cost the federal government between \$5 trillion and \$11.2 trillion in lost revenue over the next decade, according to a [new analysis](#) from a budget watchdog group.

The Committee for a Responsible Federal Budget, which advocates for shrinking deficits, estimated the bulk of the cost would come from extending the 2017 Trump tax cuts for individuals and small business owners. Those cuts expire at the end of 2025. Trump's overall tax plan would "explode" the debt and risk "a serious debt spiral," the group said, unless they are offset with spending cuts or tax increases elsewhere.

The group said where the cost will fall in the range depends on details of the tax provisions that still haven't been finished.

Trump pitched his latest tax-cut priorities in a closed-door meeting with House Republican leaders Thursday, including eliminating taxes on tips, overtime, Social Security benefits and providing new tax breaks for goods manufactured in the US. Trump has also proposed lifting the limit on the state and local tax deduction known as SALT, after his earlier tax bill capped that deduction at \$10,000 per household.

Trump proposed a few tax increases, including eliminating the carried interest deduction and ending tax breaks for sports team owners, but those only have a small impact on the deficit, the group estimated.

Read more: [Trump Will Seek to End Carried Interest, Expand SALT in Tax Bill](#)

Without more tax increases or new spending cuts, the proposed tax cuts would drive up the federal government's debt to between 132% and 149% of gross domestic product by 2035, compared to nearly 100% of GDP currently and 118% in a decade without changes to tax law, the committee forecast. Even without new tax cuts, the national debt will rise because of the cost of Social Security and Medicare benefits for retiring Baby Boomers and interest payments on existing debt.

House Republicans are trying to come together on a budget blueprint to enact Trump's agenda. GOP lawmakers are divided on how much spending to cut to make up for revenue losses and what

to cut.

Senate Republicans have said they plan to move ahead starting next week with their own \$300 billion spending plan bolstering border security and defense first, while delaying action on taxes and other thorny issues that have divided the party until later in the year.

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