



September 27, 2018

The Honorable Paul D. Ryan  
U.S. House of Representatives  
H-232 U.S. Capitol  
Washington, DC 20515

The Honorable Nancy Pelosi  
U.S. House of Representatives  
H-204 U.S. Capitol  
Washington, DC 20515

Dear Speaker Ryan and Leader Pelosi:

On behalf of our members and all Americans age 50 and older, AARP is writing to express our views on the Protecting Family and Small Business Tax Cuts Act of 2018 (H.R. 6760). AARP, with its nearly 38 million members in all 50 States, the District of Columbia, and the U.S. territories, is a nonpartisan, nonprofit, nationwide organization that helps empower people to choose how they live as they age, strengthens communities, and fights for the issues that matter most to families, such as healthcare, employment and income security, retirement planning, affordable utilities, and protection from financial abuse. AARP represents many individuals who will be affected by this tax bill. We remain committed and prepared to support legislation that makes the tax code more equitable and efficient, promotes growth, and produces sufficient revenue to pay for critical national programs, including Medicare and Medicaid. While we appreciate that H.R. 6760 extends tax relief for individuals who benefit from the medical expense deduction, we have grave concerns about H.R. 6760.

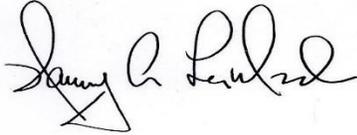
AARP is troubled by the further negative effect this bill will have on the nation's ability to fund critical priorities. The Joint Committee on Taxation (JCT) estimates that H.R. 6760 will reduce federal revenue by approximately \$631 billion over the 10-year budget window. This is in addition to the \$1.5 trillion reduction in revenue over the 10-year budget window resulting from last year's Tax Cuts and Jobs Act. Additional increases of this magnitude in the deficit will inevitably lead to calls for greater spending cuts, which are likely to include cuts to Medicare, Medicaid, and other important programs serving older Americans.

AARP appreciates that H.R. 6760 includes an extension of the current 7.5 percent threshold for the medical expense deduction, which is an important deduction for many older and sick Americans and their families. However, a short extension is inconsistent with the overall effort to make the 2017 individual tax reforms permanent. For the past 75 years, Americans with high health care costs have been able to offset the cost of acute and chronic medical conditions, as well as, expenses associated with prevention, diagnosis, treatment, equipment, qualified long-term care services, and long term care insurance premiums. Even with Medicare, beneficiaries spend about \$5,680 out-of-pocket on medical care. Furthermore, older Americans often face high costs for long term services and support, which are generally not covered by Medicare, as well as

hospitalizations and prescription drugs. Tax relief in this area can provide needed resources, especially important to seniors with high medical costs.

For the reasons noted, and despite the provisions we appreciate, AARP cannot support H.R. 6760. If you have any questions or need additional information, please feel free to contact me or contact Joyce Rogers, Senior Vice President of Government Affairs at 202-434-3750 or at jarogers@aarp.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy A. LeMond". The signature is fluid and cursive, with a large initial "N" and "L".

Nancy A. LeMond  
Executive Vice President and  
Chief Advocacy and Engagement Officer