The Daily Dish

November 23rd Edition

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Wondering what the effect of Obamacare's 155 million paperwork hours has been? A small business about an hour and a half north of Philadelphia provides insurance for their employees (actually four different plans). They are having trouble complying with what they estimate to be 40 to 60 hours of paperwork per employee. Like most small businesses, they don't have a team of lawyers and compliance officers to help with this. The office manager says "It's ridiculous … You are guessing at what codes you need to use."

Last week was a big week for regulations. The administration published $1.8 billion in new costs, largely due to Obamacare regulations. Click here to find out more from this Week in Regulations.

ICYMI: Cities that raised their minimum wage saw slower job growth in the restaurant industry than in the surrounding state. For example, restaurant employment in Seattle has only grown 0.6% this year, while growing 6% in the rest of Washington state. Click here to see more of the research from AAF.

Eakinomics: Evaluating the Tax Plans

Tax policy is becoming a centerpiece of the race for president, with the left building on the tax and redistribute record of President Obama and the right featuring a variety of pro-growth tax proposals. Understanding the growth implications of all the plans is imperative, as more rapid economic growth is the central challenge for the United States.

In the postwar period until 2007 the U.S. economy grew rapidly enough that the standard of living (Gross Domestic Product per capita) doubled every 32 years. Now, the Congressional Budget Office (CBO) has marked down the long-term growth potential of the economy to the point that the projected standard of living will double only every 58 years. The American dream is fading into the distance, which is unfair, if not immoral, treatment of the next generations.

The Tax Foundation (full disclosure, I am on its Board) has performed a terrific service by analyzing the plans and documenting their growth impacts using their dynamic scoring model. This provides an apples-to-apples comparison of the plans on the basis of their growth and budgetary impacts.

One can anticipate criticism that the Tax Foundation model is "wrong," but that misses the point. No single model is exactly "right"; the key is to systematically incorporate the growth and budgetary effects and allow fair comparisons.

In contrast, the Tax Policy Center (TPC) – the other federal tax analysis think tank – refuses to do dynamic scoring. This is surprising, if not shocking. The non-partisan federal support agencies – the Joint Committee on Taxation and the Congressional Budget Office – now do dynamic scoring of large tax bills, immigration reforms, repeal of the Affordable Care Act, minimum wage increases and more. It simply the right way to provide policymakers the information they need to make decisions. Its refusal leaves TPC in the position of *de facto* defender of the extreme left side of the partisan debate. That's an awkward position for a think tank and

one that, properly, should disqualify their analyses of the conservative reform plans.

Better economic growth is a national imperative. Good information about the growth consequences of candidates' tax and other reforms is essential to voters. One can hope that all commentary on the presidentials' proposals will aim to meet this standard.

From the Forum

Understanding Treasury's New Guidance on Inversions by Gordon Gray, AAF Director of Fiscal Policy

Week in Regulation by Sam Batkins, AAF Director of Regulatory Policy

Former Labor Secretary Elaine Chao's Remarks Before AAF Event On Online Gig Economy

Fact of the Day

Ninety-eight percent of U.S. companies who export are small and medium-sized enterprises.