

**While higher prices have hurt Wisconsin families, Tammy Baldwin voted for bills that drove up our cost of living, including voting for two trillion dollars in inflationary spending, and tax increases on middle class families.**

**Higher prices have hurt Wisconsin families.**

- **Higher prices have hurt Wisconsin families.** “Consumer prices have jumped considerably over the past year, with the inflation rate hitting a 40-year high in the U.S. – these higher costs are particularly hitting lower-income people around Wisconsin.” (Nathan Denzin, “The pain of inflation for people trying to make ends meet,” [PBS Wisconsin](#), 7/22/22)
- **As reported in July 2022, “people in the Midwest have grappled with higher costs for everything over the last year.”** “People in the Midwest have grappled with higher costs for everything over the last year, as prices have increased more than 9%. Low-income families have been hit hardest, as the price of essential products continues to increase.” (Nathan Denzin, “The pain of inflation for people trying to make ends meet,” [PBS Wisconsin](#), 7/22/22)

**Tammy Baldwin voted in favor of H.R. 1319, the American Rescue Plan Act, a partisan coronavirus relief package that cost nearly \$2 trillion.**

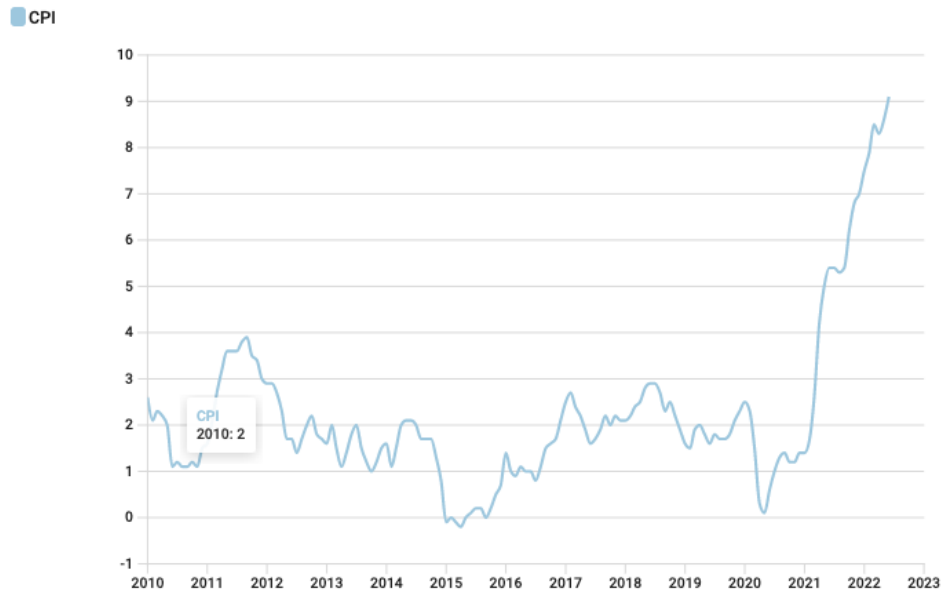
- **Baldwin voted for H.R. 1319, the American Rescue Plan Act.** (H.R. 1319, [Vote Number 110](#), Passed 50-49, Baldwin voted Yea, 3/6/21)
- **The American Rescue Plan is a \$1.9 trillion coronavirus relief package.** “President Biden signed the \$1.9 trillion coronavirus relief package on Thursday. The colossal bill, known as the American Rescue Plan, allocates money for vaccines, schools, small businesses and anti-poverty programs such as an expanded child tax credit that will mean new monthly payments to many parents.” (Barbara Sprunt, “Here’s What’s In The American Rescue Plan,” [NPR](#), 3/11/21)
- **The American Rescue Plan passed through Congress on a partisan basis.** “The American Rescue plan made it through Congress with only Democratic support, making it stand out from the bipartisan COVID relief plans Congress passed over the last year.” (Savannah Behrmann, “Takeaways from the COVID-19 stimulus bill passing Congress: Weeks of partisan fighting comes to an end with a win for Biden,” [USA Today](#), 3/10/21)
  - **Democrat Jared Golden of Maine was the sole Democrat to oppose the American Rescue Plan.** “Democratic Rep. Jared Golden of Maine, who also voted against the original House version, was the sole member to break ranks. Golden argued in late February that many of the provisions in the nearly \$1.9 trillion pandemic relief package were not directly related to the pandemic or should be addressed in stand-alone bills.” (Jennifer Shutt, “House sends massive coronavirus relief bill to Biden,” [Roll Call](#), 3/10/21)

The American Rescue Plan exacerbated inflation, causing it to reach its highest point in over four decades.

- In June 2022, inflation reached a four decade high. “The prices of gas, food and most other goods and services jumped in May, raising inflation to a new four-decade high and giving American households no respite from rising costs.” (“Inflation surges 9.1% in June, accelerating more than expected to new 40-year high,” [Fox News](#), 7/13/22)

**Inflation over the decade**

Annual CPI inflation from Jan 2010 to June 2022



(“Inflation surges 9.1% in June, accelerating more than expected to new 40-year high,” [Fox News](#), 7/13/22)

- HEADLINE: “. . . Biden’s stimulus is temporarily stoking inflation.”



(Jeanna Smialek, “A regional Fed analysis suggests Biden’s stimulus is temporarily stoking inflation.,” [The New York Times](#), 10/18/21)

- According to a regional Federal Reserve Bank analysis, the American Rescue Plan boosted inflation. “Inflation is likely getting a temporary boost from the \$1.9 trillion coronavirus relief package that the Biden administration ushered in early this year, new Federal Reserve Bank of San Francisco research released on Monday suggested.” (Jeanna Smialek, “A regional Fed analysis suggests Biden’s stimulus is temporarily stoking inflation.,” [The New York Times](#), 10/18/21)

- **Researchers found that the American Rescue Plan might raise the vacancy-to-unemployment ratio close to its historical peak in 1968, fueling inflation.** “Based on the package’s size and using historical evidence on how fiscal spending affects the labor market, the researchers found that the American Rescue Plan might raise the vacancy-to-unemployment ratio close to its historical peak in 1968, fueling some inflation – but that the price impact would be small and short-lived.” (Jeanna Smialek, “A regional Fed analysis suggests Biden’s stimulus is temporarily stoking inflation.,” [The New York Times](#), 10/18/21)
- **The American Rescue Plan extended supplemental unemployment benefits.** “The American Rescue Plan extended unemployment benefits until September 6 with a weekly supplemental benefit of \$300 on top of the regular \$400 benefit.” (The White House, “[American Rescue Plan](#),” Accessed 11/1/21)
  - **COVID-related unemployment benefits contribute to inflation.** “5) Low-wage workers are finally getting raises. Full-service restaurants saw no inflation in April, but fast-food establishments jacked up prices significantly. ... With their savings buttressed by stimulus checks – and, for the previously laid off, their sustenance assured by \$300-a-week federal unemployment benefits – many American workers have become newly empowered to turn down lousy job offers. This, combined with resurgent demand, has produced a shortage of labor in some sectors, forcing firms to raise wages to attract new hires.” (Eric Levitz, “THE ECONOMY JUNE 8, 2021 The Case for (and Against) Worrying About Inflation,” [NYMag](#), 6/8/21)

**Tammy Baldwin was “proud” to vote for the Inflation Reduction Act, legislation that could raise taxes by \$20 billion on people making less than \$400,000 a year, hire 87,000 new IRS agents to target middle-class taxpayers, and have little to no impact on inflation.**

- **On August 7, 2022, Baldwin voted Yea on H.R. 5376, the Inflation Reduction Act.** (H.R. 5376, [Vote Number 325](#), Passed 50-50, Baldwin voted Yea, 8/7/22)
- **VIDEO: Baldwin said she was “proud” to vote for the Inflation Reduction Act.** “That’s why I was proud to support the Inflation Reduction Act.” (Judith Drake, “Tammy Baldwin touts lower prescription drug benefits while touring Gundersen Pharmacy,” [News8000](#), 8/9/23)
- **The Congressional Budget Office estimates that the Inflation Reduction Act, which sets aside \$80 billion to hire 87,000 Internal Revenue Service agents, would cost those making less than \$400,000 an estimated \$20 billion more in taxes over the next 10 years.** “An analysis by the CBO estimates those earning less than \$400,000 – the group on which Biden promised not to raise taxes – will pay an estimated \$20 billion more in taxes over the next decade as a result of the Democrat-pushed \$740 billion package, which also sets aside \$80 billion to hire 87,000 IRS agents.” (Lydia Moynihan, “Inflation Reduction Act will cost middle class \$20B in new taxes: CBO,” [New York Post](#), 8/15/22)
- **“Treasury Secretary Janet Yellen has acknowledged the new and improved IRS could ramp up collections from middle-class taxpayers.”** “But Treasury Secretary Janet Yellen has acknowledged the new and improved IRS could ramp up collections from middle-class

taxpayers. In a letter to the IRS commissioner last week, Yellen directed ‘any additional resources ... shall not be used to increase the share of small business or households below the \$400,000 threshold that are audited relative to historical levels.’ In other words, Yellen conceded that middle-class taxpayers will face more audits and pay more taxes – but that they won’t be unfairly targeted. ‘Anytime you get an IRS letter, it could take months or years to get it settled – we’re talking many thousands of dollars to address,’ Daniel Bunn, executive vice president at the Tax Foundation, told The Post. ‘Large companies have constant reviews and lawyers going through everything ... small business doesn’t have the resources to fight back in the same way.’” (Lydia Moynihan, “Inflation Reduction Act will cost middle class \$20B in new taxes: CBO,” [New York Post](#), 8/15/22)

- **“Some economic analyses, including from the Congressional Budget Office, found that the legislation would have little to no impact on inflation this year.”** “The estimated effect of the Senate’s climate and tax bill on inflation was among the many points Democrats defended on Saturday night and into Sunday morning. Some economic analyses, including from the Congressional Budget Office, found that the legislation would have little to no impact on inflation this year.” (Stephanie Lai, “Will the bill curb inflation? Democrats think it will, but not immediately.” [The New York Times](#), 8/7/22)
  - **“The bill’s net impact on inflation, though, is likely modest, and may not be felt for a while given how long many of these policies will take to go into effect, multiple economists who spoke with Vox said.”** (Li Zhou, “Would the Inflation Reduction Act actually reduce inflation?” [Vox](#), 8/4/22)

**Tammy Baldwin voted against legislation that would have prohibited funds from being used by the IRS to audit taxpayers with taxable incomes under \$400,000**

- In August 2022, Baldwin voted against an amendment to prohibit funds from being used by the IRS to audit taxpayers with taxable incomes under \$400,000.

## **Fiscal 2022 Budget Reconciliation Bill - IRS Audit Limitations**

**Aug. 7, 2022**

**Senate Roll Call Vote 296**

**HR 5376**

Crapo, R-Idaho, amendment no. 5404 to the Schumer, D-N.Y., substitute amendment no. 5194 to the fiscal 2022 budget reconciliation bill that would prohibit funds appropriated to the IRS in the bill from being used to audit taxpayers with taxable incomes under \$400,000.

**Rejected** by a vote of 50-50:

Democrats 0-48

Republicans 50-0

Independents 0-2

(H.R 5376, [Vote #296](#): Rejected 50-50: R 50-0; D 0-48; I 0-2, Baldwin Voted Nay, 8/7/22)