



# A BETTER WAY

## OUR VISION FOR A CONFIDENT AMERICA



### Congressman Mac Thornberry (TX-13)

A Better Way is the House Republican blueprint to look beyond President Obama and get the country headed back in the right direction. It includes a slate of ideas to address some of the biggest challenges we face with health care, tax reform, and national defense among others. Below are short summaries of the plans for health care and tax reform. You can read more about these plans and others at <http://abetterway.speaker.gov>.

## A Better Way for Health Care

### WHY WE NEED A BETTER WAY

Our health care system is too bureaucratic and too expensive. Obamacare is having significant, detrimental effects on our health care and on our nation. Many people are seeing higher insurance premiums, and I have personally talked with several doctors who have decided to retire or are considering retirement. Obamacare must be fully repealed. However, going back to the old system is not a workable solution. We need to start over and take a new approach.

### WHAT A BETTER WAY LOOKS LIKE

Our plan focuses on patient-centered care to provide more choices instead of more mandates. You and your doctor are in the best position to determine your health care needs, not the federal government. We must also protect our ability to create cutting-edge cures and treatments and make Medicare stronger for today's seniors and future generations.

### HIGHLIGHTS OF THE PLAN

- **More Choices and Lower Costs:** To help make the insurance market more competitive, our plan allows you to purchase a plan across state lines. It also expands opportunities for small businesses and individuals to band together through new pooling mechanisms to increase purchasing power. The plan also expands the use of health savings accounts, health reimbursement accounts, and other consumer-oriented health care options to further increase choice.
- **Make Support for Health Insurance Portable:** For people without access to employer coverage, Medicare, or Medicaid, our plan offers a fixed, refundable tax credit to help buy health insurance in the individual market. This portable payment – available at the beginning of every month – would be adjusted for age, ensuring older Americans receive more support, and would grow over time.
- **Real Protections and Peace of Mind:** Our plan makes sure that you never have to worry about being turned away or having your coverage taken away—regardless of age, income, medical conditions, or circumstances. Dependents are able to stay on their parents' plan until they are 26, and insurers are prohibited from canceling a plan when you renew simply because you may be sick. Our plan gives all doctors, nurses, hospitals, and providers the freedom to exercise their conscience and protects taxpayer dollars from being used for abortion services.
- **Cutting-Edge Cures and Treatments:** Our plan streamlines clinical trials and modernizes data-collection activities to improve how treatments are developed, tested, and ultimately approved by the FDA. It also builds a stronger NIH by supporting scientists working on cutting-edge research.
- **A Stronger Medicare:** Our plan protects Medicare for today's seniors and preserves the program for future generations. Starting in 2024, our plan gives future beneficiaries the opportunity to choose from an array of competing private plans alongside traditional Medicare and helps seniors pay for or offset premium costs for the plan of their choice.

# A Better Way for Tax Reform

## WHY WE NEED A BETTER WAY

Our nation's tax code is too complicated and too burdensome for individuals, families, and businesses to thrive in America. Too much time, effort, and money is spent looking for loopholes and trying to understand the thousands of pages of tax law. Today, there are seven tax brackets for individuals and a top rate of 39.6 percent for the highest earners. We still unfairly tax American families following the loss of a loved one with the Death Tax. At 35 percent, our corporate tax rate is the highest in the developed world and is driving businesses out of our country. It has been nearly 30 years since our tax code was last modernized and simplified, and it is time for comprehensive, commonsense reform that keeps more money in the pockets of the hard-working citizens who earned it.

## WHAT A BETTER WAY LOOKS LIKE

Our plan focuses on creating a simpler, fairer tax code for all Americans. It is a plan for a tax code that is built for growth and that will create an environment for individuals and businesses to thrive. Instead of hampering growth by forcing businesses to stay in a prohibitive environment, our plan ensures that the United States is the most attractive place in which to do business; it makes the United States the best place in the world to hire and invest. Finally, a Better Way means a better Internal Revenue Service (IRS) that puts taxpayers first.

## HIGHLIGHTS OF THE PLAN

- **Simplified Individual Tax Rates:** Instead of today's seven different tax brackets for individuals that have a top tax rate of 39.6 percent, our plan consolidates those tax brackets to three brackets and lowers the top individual income tax rate to 33 percent. This simplifies the individual tax system and makes it fairer for everyone. The three tax brackets will be set at 12 percent, 25 percent, and 33 percent.
- **Create a More Competitive Corporate Tax Environment:** Today, our corporate tax rate is the highest in the developed world. Our country faces an uphill battle in the global economy because of our own tax code, and that cannot continue if the United States is to remain the world's economic leader. Our plan lowers the corporate tax rate to a flat rate of 20 percent, repeals the corporate Alternative Minimum Tax (AMT), provides businesses with the benefits of fully and immediately expensing the cost of investments, eliminates special interest deductions, and provides a business credit to encourage research and development (R&D).
- **Simplified Family Tax Deductions:** Today, there are five common tax deductions for families: the Basic Standard Deduction, Additional Standard Deduction, Personal Exemption for Taxpayer and Spouse, Child Tax Credit, and Personal Exemption for Children and Dependents. Our plan simplified these tax benefits into two deductions: a larger Standard Deduction and a Larger Child and Dependent Tax Credit.
- **Earned Income Tax Credit (EITC) and Homeownership:** Our plan continues the EITC, which rewards work by low-income individuals, encouraging them to enter the workforce and have the opportunity to move up the income scale. Our plan preserves the Mortgage Interest Deduction for homeowners.
- **Encourage Charitable Giving:** It is important that our tax code continues to foster Americans' sense of giving to help their neighbors in need. Over the years, charitable organizations and tax experts have presented ways to improve our nation's charitable giving through the tax code. Our plan will ensure the tax code continues to encourage donations while simplifying compliance and record-keeping to make the benefit more effective.
- **Eliminate the Death Tax:** The United States currently has the fourth highest statutory estate tax rate in the developed world, and that is simply unacceptable. I have offered legislation nearly every Congress since I was first elected to eliminate the Death Tax, and our plan for a Better Way does just that. Our plan honors the hard work and sacrifices made by American workers by allowing them to pass down their successes to their children.
- **Reform the IRS:** With a dramatically simpler tax code, our plan will create a new streamlined IRS that will be centered on three major units: families and individuals, businesses, and an independent "small claims court" unit. The new IRS will be led by a newly-appointed Administrator, appointed by the President and approved by the Senate, whose sole objective will be to manage the agency and administer the new tax code in an impartial, non-political manner. The new IRS will have a team of legal professionals dedicated to providing guidance and other information so taxpayers can apply the new tax code to the particular circumstances of their lives and businesses.