Industry Groups Form Coalition to Fend Against Biden Tax Hikes

- Biden proposed to roll back some of Trump corporate-tax cut
- Higher corporate taxes envisioned to pay for infrastructure

By Mario Parker | May 25, 2021 10:32AM ET

Nearly three dozen groups representing industries from brick manufacturers to food and beverage distributors have formed an alliance to fight Democrats’ plans to raise taxes, arguing President Joe Biden’s proposed increases would kill job creation and stall the U.S. economic recovery.

The coalition of 28 industry groups, called “America’s Job Creators for a Strong Recovery,” is led by the National Association of Wholesaler-Distributors. Its members include Associated Builders and Contractors and the National Grocers Association.

Biden has proposed nearly $4 trillion in government spending on infrastructure and social programs that would be funded by higher taxes on corporations and wealthier Americans. Biden has been in negotiations with Republicans on the level of spending, how to pay for it and what constitutes infrastructure.

The new industry coalition has conducted messaging research both nationally and specifically in Arizona, a swing state where Democrats hold two Senate seats, the organizers said.

The research shows that Democrats have a strong case for raising taxes on companies and wealthy Americans to pay for roads and bridges -- considered traditional infrastructure projects -- but that support wanes for items that aren’t typically viewed in that way. Biden’s proposals include support for the so-called “care economy,” ranging from elderly care to free preschool.

Arizona Concerns

In Arizona, concerns about the scale of proposed spending have particular resonance given that the local economy is doing relatively well and Arizonans believe a disproportionately small share of taxpayer dollars flow to their state, the coalition contends.

The new alliance doesn’t include the U.S. Chamber of Commerce, National Association of Manufacturers or National Federation of Independent Business. The Chamber is among those that have separately criticized Biden’s corporate-tax hike proposal.

Coalition organizers expect more companies and organizations to join in the coming days.