

GDP Down, Bills Up: How the Trump-GOP Tax Law Gives to the Rich While Prices Rise for Working Families

Nearly a year after Trump signed the One Big Beautiful Bill, families are paying more, earning less, and losing the benefits they depend on.

Last year, President Trump [signed](#) the GOP tax bill into law, vowing it would put money back into families' pockets. But nearly one year in, the results are damning.

GDP growth has been sluggish since Trump took office: GDP growth came in at 2% in the first quarter of 2026, following just 0.5% growth in the fourth quarter of 2025, for an average of only 1.25% in the past half-year. Tax refunds fell far short of what Trump promised. And as families struggle with rising prices for everyday essentials, the Republican tax law has systematically gutted the federal programs they rely on most – stripping health care coverage from millions and cutting food assistance from children and families.

Trump and Congressional Republicans promised that OBBBA would boost GDP, raise take-home pay, and create jobs. It has failed on every count.

- The Trump administration and Republicans in Congress sold the GOP tax law as a working families tax cut. Trump's Council of Economic Advisors (CEA) [claimed](#) it will increase wages and cut taxes so dramatically that a family with two children will see their real take-home pay rise by as much as \$10,900, but their claims don't hold up to reality.
 - CEA projected that OBBBA would increase annual GDP growth by 1.2% above baseline, for a total of 4.6% to 4.9% over Trump's term, using methodologies with deeply flawed assumptions that have been [debunked](#) by experts [across](#) the political [spectrum](#).
 - In fact, GDP growth has flopped since OBBBA, [crashing](#) to 0.5% in Q4 2025. The nonpartisan Congressional Budget Office [expects](#) GDP to grow by under 2% over the next four years, well below CEA's 3% average projections.
 - Just today, the Bureau of Economic Analysis [announced](#) GDP grew 2% in the first quarter of 2026 – less than the expected 2.2%.
- At the same time, Trump has failed to deliver on a promise of 7.2 million new jobs. OBBBA has cost workers jobs: The law's repeal of clean energy tax credits resulted in the [cancellation](#) of nearly \$29 billion in clean energy projects and more than 39,000 manufacturing job losses in 2025.

- The [first year](#) of Trump's second term produced the weakest job growth outside of a recession since 2003, with [only](#) 181,000 jobs added in 2025 – down from [almost](#) 1.5 million in 2024.
- Additionally, after-tax wage growth is [increasingly](#) “K-shaped,” with the gap between income growth rates for higher-income households and that for lower- and middle-income families the largest since 2015. Higher-income households saw wage growth of 5.6% year-over-year in March, while lower- and middle-income groups saw just 1% and 2%, respectively.

The OBBBA's draconian cuts to federal health care and food assistance programs have been swift, severe, and far-reaching – leaving families struggling amidst an anemic economy.

- Thanks to the OBBBA's massive \$1 trillion [cut in health care spending](#), and Republicans' failure to extend the enhanced Affordable Care Act (ACA) premium tax credits, millions of Americans [will become](#) uninsured this year.
 - Nearly 1.3 million Americans will become [uninsured](#) this year due to the OBBBA, and an additional 4.8 million Americans are [expected](#) to lose coverage due to Republicans' failure to extend the enhanced premium tax credit. By 2034, 15 million Americans will [lose](#) health insurance as a result of these policies.
 - The same coverage will also be more expensive. Americans on ACA plans [will spend](#) on average \$2,136 in annual premiums this year – a 58% hike compared to last year, while in some states Americans will pay up to 220% more.
 - The human cost is stark: Roughly one-third of Americans [say](#) they have skipped meals, cut back on utilities, or made other compromises on daily living expenses to afford the rising costs of healthcare.
- At the same time, Republican cuts to food assistance programs are leaving millions of children and families hungry.
 - Millions of Americans have lost access to the Supplemental Nutrition Assistance Program (SNAP) after participation fell by [2.5 million people](#) (6%) nationwide between OBBBA's passage and the end of 2025.
 - The declines are particularly severe in certain states: In [Virginia](#), SNAP participation fell by 12%, while [Arizona](#) saw a 47% drop in participation in the seven months after the law passed. This translates to about 424,000 fewer Arizonans – including 181,000 children – receiving food assistance.

Trump promised OBBBA would produce the “biggest tax refund ever.” Tax season is over and it wasn't even close.

- In January, Trump [claimed](#) that OBBBA's No Tax provisions would deliver the "biggest tax refund season ever" – projecting average refunds to rise by at least \$1,000. But [according](#) to IRS data, the average refund this year was only \$330 more than it was in 2025.
 - Sizable refunds primarily went to the wealthiest taxpayers. The Center for American Progress [analysis](#) found that less than 50% of taxpayers making less than \$100,000 annually would receive an increased tax refund, while over 90% of taxpayers making more than \$100,000 would receive one.
 - Wealthy families are not just more likely to receive large refunds, they are set to receive bigger refunds, too. Households making more than \$200,000 per year could [expect](#) an increase of more than \$2,000. The richest 1% of Americans [will receive](#) a total net tax cut about \$14 billion greater than the bottom 80%.
 - [Recent survey](#) data from this tax season tell the same story: Taxpayers making more than \$150,000 per year were more likely than those making under \$75,000 to report receiving a larger refund this year.
 - Moreover, Trump's mishandling of the economy and reckless war in Iran is projected to wipe out the entire tax refund families received this year.
 - Thanks to Trump's failure to bring down inflation, households [are paying](#) \$2,357 more on average – including nearly \$500 more for housing.
 - Trump's erratic tariffs also cost households an average of \$1,700 in 2025 and families may spend more than \$2,500 in tariff costs this year, according to a Joint Economic Committee Minority [report](#).
 - And since February, when Trump started his war with Iran, gasoline prices [have surged](#) more than 21% – [hitting](#) over \$4.18 per gallon in April. The average household is now [expected](#) to spend \$857 more on gasoline this year.

Trump and Congressional Republicans forced through one of the most unpopular tax laws in U.S. history, and voters haven't forgotten.

- With OBBBA, Trump and Republicans forced through one of the most deeply unpopular tax laws in history. Even months after the law passed, voters remain fervently opposed to it.
 - Just days after the law had passed, a clear majority of Americans – 61% – [opposed](#) it, with 58% saying the law's brutal cuts to health care and food assistance programs had "gone too far."

- In the months since its passage, a majority of likely voters [continue to view](#) the OBBBA unfavorably. In fact, voters who hold strongly negative views – 40% – eclipse total positive impressions.
- And voters take issue with the tax system under Trump overall: nearly two-thirds (64%) of voters [disapprove](#) of his handling of taxes.
- Trump's net approval on the economy is at -32, the lowest rating of any president in modern history, according to an [aggregate](#) of recent polls.
 - In April, three-quarters of Americans [said](#) the U.S. economy is in poor shape, up 8 points since January. Additionally, roughly 60% [expect](#) the economy to be in poor condition a year from now – the highest percentage during either of Trump's terms.
- But the basic needs programs that OBBBA slashed are [incredibly popular](#) with voters: 76% of voters have a favorable opinion of SNAP, including 67% of Republicans and 75% of independents.
 - Voters [deeply oppose](#) cuts to these programs: 90% of voters want to increase Medicare or keep it the same, while 87% want to do the same for Medicaid.