Mace supports raising taxes on everything from medical procedures, groceries and even prescription drugs by 23 percent, hurting families and seniors on fixed incomes. And she supports a tax plan that added trillions to our national debt. Mace would raise our cost of living and add to our debt, as Lowcountry families and businesses struggle from the coronavirus.

Mace Said She Supported The Fair Tax. (54:22) MACE: “Yes, I support the Fair Tax. I also support the flat tax.” [Charleston County Republican Party – 1st Congressional District Debate (Published by: AV Connections), 5/26/20]

Washington Post: The Fair Tax Would Institute A 23 Percent National Sales Tax – Which Would Actually Impose A Tax Of 30 Percent Of The Cost Of A Given Purchase. “Greg Sargent has been doing some great reporting on Rick Perry’s walk-back on his past support for repealing the 16th amendment, which enables the federal governments to levy income taxes, and enacted the “Fair Tax” proposal for a national sales tax. The fair tax plan has been around for a while now, and it got a boost during the last presidential cycle when Mike Huckabee embraced it, and Herman Cain is touting it this time around. The proposal claims it would replace almost every federal tax, including payroll, personal and corporate income, and estate taxes, with a 23 percent national sales tax. The first problem is with that number. The actual proposal could impose a tax of 30 percent of the cost of a given purchase. Advocates for the fair tax claim that this amounts to a 23 percent tax, because if one is purchasing an item that lists for $1, the total cost will be $1.30, and 30 cents divided by $1.30 is a little over 23 percent. So if one uses the same terminology that is commonly used in discussing state and local sales taxes, the fair tax is actually a 30 percent national sales tax.” [Washington Post, 8/24/11]

The Fair Tax Act Calling For A 23 Percent Federal Retail Tax Rate Was Misleading, And The Number Would Actually Result In A 30 Percent Tax Rate. “A number of readers pointed out that H.R. 25, the specific bill mentioned by Gov. Huckabee, calls for a 23 percent retail sales tax and not the 34 percent used by the Advisory Panel on Tax Reform. That 23 percent number, however, is misleading and based on some extremely optimistic assumptions. We found that while there are several good economic arguments for the FairTax, unless you earn more than $200,000 per year, fairness is not one of them. […] The 23 percent number in H.R. 25 is the equivalent of the 4.8 percent in the previous example. To calculate the real rate of the sales tax, we have to determine the original purchase price of an item. We can begin with the same $100 item, keeping in mind that a price tag that reads $100 has sales tax already built in. If our tax rate is 23 percent of the tax-inclusive sales price, then of the $100 final price, $23 of those dollars will be for taxes, meaning that the original pre-tax price of the item is $77. To get $23 in taxes on a $77 item, one must impose a 30 percent tax. In other words, a 23 percent sales tax on the tax-inclusive sales price is equivalent to a 30 percent tax on the actual price of the item.” [FactCheck.org, 5/31/07]

South Carolina’s Current Sales Tax Rate Stands At Six Percent. “Sales tax is imposed on the sale of goods and certain services in South Carolina. The statewide sales and use tax rate is six percent (6%). Counties may impose an additional one percent (1%) local sales tax if voters in that county approve the tax. Generally, all retail sales are subject to the sales tax.” [SC Department of Revenue, accessed 8/6/20]

Tax Policy Center: The Fair Tax Would Be Regressive, Because Low- And Middle-Income People Spend All Or Most Of What They Make Whereas High-Income Households Spend Only A Fraction Of Their Income. “GOP Presidential candidate Mike Huckabee recently got into a spirited debate with Fox News anchor Chris Wallace about Huckabee’s proposal to replace all federal taxes with a national
retail sales tax, called the FairTax by its supporters. Wallace pointed out that low-income people spend a much larger share of their income than high-income folks and thus a FairTax would be regressive. […] The problem is that very high-income households spend only a fraction of their income, while low- and middle-income people spend all or most of what they make. A sales tax, by design, exempts a large share of income at the top. If it includes a prebate to protect people at the bottom and doesn’t add to the deficit, then it must raise taxes on people in the middle. The latest data on spending as a share of income published by the Bureau of Labor Statistics show that lower-income households spend more than they earn—presumably aided by tax credits and other cash transfers, gifts from family members and friends, and borrowing (see chart). People earning over $150,000 spend only half of their income (and the share continues to fall as incomes rise, although it’s not shown in the summary statistics). Compared with a broad-based income tax, the proposal effectively allows a 50% deduction for the average high-income household. Because it is also a flat rate tax, it would be especially regressive, especially compared with the current income tax where rates rise with incomes.” [Tax Policy Center, 5/27/15]

Under The Fair Tax, New, High Sales Tax Rates Would Be Levied On Consumer Purchases Of All Food, Prescription Drugs And Other Health Care Products And Services, Purchases Of New Homes, Utility Bills, Private School Tuition, And Many Other Services And Goods. “Most ‘FairTax’ proposals submitted to date define the sales tax base as all final purchases of goods and services. This far exceeds any state’s current base. Under the ‘FairTax,’ the new, high sales tax rate would be levied on consumer purchases of all food, all prescription drugs and other health care products and services (such as doctor’s visits and laboratory tests), purchases of new homes, utility bills, private school tuition, and many other services and goods now exempt from the sales tax in most or all states.” [Center on Budget and Policy Priorities, 9/7/10]

2018: Mace Said That She Supported The Tax Cuts And Jobs Act. “‘Not on my watch.’ For some Republicans, like South Carolina Rep. Nancy Mace (R) who was a campaign worker for President Trump and supported his tax overhaul, the administration’s offshore drilling proposals are a no go. ‘Eight to 10 million tourists a year come down to Charleston. They don’t want to come to see oil drilling off the coast,’ Mace said at a recent rally in Columbia, S.C. organized by liberals. ‘Ain’t gonna happen. Not on my watch!’” [Washington Post, 3/1/18]

2018: Official CBO Estimate Found Final Tax Bill Would Increase The Federal Deficit By $1.9 Trillion. “The GOP’s signature tax law is projected to increase the national debt by $1.9 trillion between 2018 and 2028, according to a new report by the Congressional Budget Office (CBO). According to the report, the tax law would cost the government $2.3 trillion in revenues, but economic growth would offset that figure by about $461 billion.” [The Hill, 4/9/18]

20202: The CBO Economic And Budget Outlook Disproved The Theory That Trump’s Tax Cuts Would Pay For Themselves, Showing An Immediate Increase In The Deficit After The Bill Was Signed Into Law And Forecasting That The Deficit Will Remain High. “Less than a week after Treasury Secretary Mnuchin repeated the fanciful claim that the Trump tax cuts of 2017 would pay for themselves, the non-partisan Congressional Budget Office (CBO) proved him wrong. If tax cuts actually paid for themselves, they would reduce deficits based on faster revenue growth that comes from faster economic growth. Deficits immediately shot up after the 2017 supply-side tax cuts. And CBO forecasts that those deficits will continue to stay high for the foreseeable future. This is the opposite of tax cuts paying for themselves. CBO released its regular update to the economic and budget outlook on January 28. The new estimates show a deficit of $1 trillion for 2020. This is the equivalent of 4.6% of gross domestic product. The federal budget deficit will grow to 5.4% of GDP by 2030, according to GDP. This
is a much worse outlook for the current deficit than CBO showed just before Congress passed the Trump tax cuts. In June 2017, CBO anticipated a deficit of 3.6% of GDP for 2020. The current deficit is thus 27.8% greater than CBO projected before the tax cuts. Moreover, this one percentage point difference in the current projected deficit and the prior projection equals $221 billion for 2020. This is a substantial gap that follows in large part from the tax cuts, especially since the economy continued to grow during this time.” [Forbes, 1/29/20]

Charleston Business: The State Is Anticipating A $3.9 Million Loss In Total Revenue Due To Decreased Tourism, Which Could Create A “Statewide Trickle-Down Effect” On Cities And Businesses. “The state is anticipating the loss of millions of dollars in tax revenue as a result of tourism being down in 2020. […] The state is now anticipating $3.9 million in total revenue, down from its original estimate of $8.4 million, said Matthew Frohlich, deputy CFO for Charleston. An additional $2.5 million in fund balance — reserves the state has been able to add in — brings that total slightly closer to the goal, but it still isn’t enough to offset the projected loss.” […] In Charleston, accommodations taxes help the city’s general fund, capital improvements and the Charleston Area Convention & Visitors Bureau’s budget to promote tourism. If people aren’t staying in hotels, the businesses aren’t paying these taxes, creating a statewide trickle-down effect.” [Charleston Business, 8/19/20]

South Carolina Distillers Warned Of Furloughs, Layoffs And Permanent Closure Due To The Impact Of COVID-19. “The president of the S.C. Craft Distillers Guild told the S.C. congressional delegation that without increased federal help to deal with the impact of the coronavirus pandemic, many distilleries in the state could be facing closure. In a joint letter, Scott Blackwell, president of the S.C. Craft Distillers Guild, and Chris Swonger, president and CEO of the Distilled Spirits Council of the U.S., asked the delegation to support a second round of coronavirus relief for businesses. ‘As a result of the COVID-19 crisis, many distilleries in South Carolina have been forced to furlough or lay off employees,’ Blackwell and Swonger wrote. ‘Absent additional relief, some distilleries soon may be faced with the tough decision to permanently close their doors, thus also impacting their farmer suppliers and others throughout the hospitality and tourism industries.’” [Charleston Business, 7/24/20]

SC Department Of Employment And Workforce: 712,449 South Carolinians Filed Unemployment Claims Since Mid-March. Initial Claims: For claim week ending August 8, 2020, the number of South Carolinians who filed for initial claim for unemployment insurance benefits is 5,921, a decrease of 2,988 initial claims from the week prior. This bring total to 712,449 received since mid-March.” [South Carolina Department of Employment and Workforce – Press Release, 8/13/20]

NOTE: SC DEW’s unemployment insurance claims data was accurate as of Aug. 19, 2020.

South Carolina’s Monthly Unemployment Rate Experienced Exponential Growth Amid The Coronavirus Pandemic.
[South Carolina Works Online Services, accessed 8/19/20]