THE WALL STREET JOURNAL.

'MIDDLE-CLASS ECONOMICS'

By The Editorial Board January 29, 2015

President Obama is disguising his latest tax increase as "middle-class economics," no doubt because it sounds better than calling it income redistribution. So it's instructive that this false political front has already been exposed by no less than the President's political allies at the Tax Policy Center.

This week the liberal think tank analyzed the tax proposals in Mr. Obama's State of the Union with one of those familiar distributional tables that attempts to estimate the after-tax results across the U.S. income scale. Surprise, surprise, the middle 20% of earners – people making between \$49,000 and \$84,000 – would see their taxes rise by \$7 on average in 2016.

In selling his proposals in Kansas the other day, Mr. Obama said that middle-class economics is about "lowering the taxes for working families by thousands of dollars, putting money back into their pockets so that they can have a little bit of cushion in their lives." Paying \$7 more isn't much of a cushion.

The same goes for the second and fourth income quintiles. According to the think tank, the taxes of those groups would rise by 0.1% on average. The tax changes of note would come at the bottom and top of the income scale, with a 0.7% average rise in tax liability for the top 20% of earners, and a 1.2% boost in after-tax benefits (largely from tax credits) for the bottom 20%. Mr. Obama's middle-class economics, in short, applies to everyone but the middle class.

We dislike these distributional analyses, which are typically the weapons liberals use to defeat pro-growth tax reform. The main point of cutting taxes is to help the economy, and to let all taxpayers keep more of their hard-earned money. It is not to redistribute income. But there is justice in Mr. Obama being hoist on his own distributional gambit because in 2012 he used the Tax Policy Center to attack Mitt Romney 's tax reform and manipulated the numbers to claim it raised taxes by \$2,000 for the average family.

No modern Presidency has been worse for average American incomes than Mr. Obama's, and his new tax proposals are more of the same.