Policy Impact Detail - Trump Administration (First Term) (2017–2021)

15 Important Policies / Decisions and their relevance to inequality

Query used to generate the 15-item list

What were the 15 most important decisions, policy changes, or legislation undertaken by the Trump Administration, First Term (2017-2021)?

1. Tax Cuts and Jobs Act (2017) - permanently cut the corporate tax rate to 21% and temporarily cut individual rates through 2025.

2. Repeal of the ACA individual mandate penalty (2017, via the TCJA).

3. Economic Growth, Regulatory Relief, and Consumer Protection Act (2018) - eased Dodd-Frank oversight thresholds for regional and community banks.

4. First Step Act (2018) - reduced some federal mandatory minimum sentences and expanded good-time credits.

5. Trade war tariffs on China and other trading partners (2018-2019).

6. United States-Mexico-Canada Agreement (USMCA, 2018-2020) - renegotiated NAFTA with updated labor and environmental provisions.

7. Opportunity Zones tax incentive (2017, via the TCJA) - tax deferral for investment in designated low-income census tracts.

8. Department of Labor overtime rule update (2019) - raised the overtime salary threshold, though to a lower level than a blocked 2016 proposal.

9. Family separation policy and heightened immigration enforcement (2018).

10. Withdrawal from the Paris Climate Agreement (2017).

11. Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) - approximately $2.2 trillion in stimulus checks, expanded unemployment benefits, and business loans.

12. Paycheck Protection Program (2020) - forgivable loans to small businesses to maintain payrolls during the pandemic.

13. Families First Coronavirus Response Act (2020) - paid sick and family leave provisions and expanded food assistance.

14. Consolidated Appropriations Act, 2021 (December 2020) - a second major COVID relief package including additional stimulus checks.

15. Withdrawal from the Trans-Pacific Partnership (2017).

Relevance to Inequality (evaluation of the 15 Important Policies)

#	Policy / Decision	Meaningful impact?	Direction (Favorable To)	Impact
1	Tax Cuts and Jobs Act (2017) - permanently cut the corporate tax rate to 21% and temporarily cut individual rates through 2025.	Yes	Wealthy (permanent corporate cut skewed to top earners; individual cuts temporary and smaller for lower incomes)	High
2	Repeal of the ACA individual mandate penalty (2017, via the TCJA).	Yes	Wealthy (projected coverage losses concentrated in the bottom 30% of earners)	Moderate
3	Economic Growth, Regulatory Relief, and Consumer Protection Act (2018) - eased Dodd-Frank oversight thresholds for regional and community banks.	Yes	Wealthy (reduced oversight for larger regional banks)	Moderate

#	Policy / Decision	Meaningful impact?	Direction (Favorable To)	Impact
4	First Step Act (2018) - reduced some federal mandatory minimum sentences and expanded good-time credits.	Yes	Common Man (reduced incarceration overreach disproportionately affecting lower-income communities)	Moderate-High
5	Trade war tariffs on China and other trading partners (2018-2019).	Yes	Mixed (some protected-industry jobs; broadly regressive consumer cost via higher prices)	Moderate
6	United States-Mexico-Canada Agreement (USMCA, 2018-2020) - renegotiated NAFTA with updated labor and environmental provisions.	Yes	Common Man (modest labor-standard improvements over NAFTA)	Low-Moderate
7	Opportunity Zones tax incentive (2017, via the TCJA) - tax deferral for investment in designated low-income census tracts.	Yes	Wealthy (subsequent research found benefits concentrated among investors and developers)	Moderate
8	Department of Labor overtime rule update (2019) - raised the overtime salary threshold, though to a lower level than a blocked 2016 proposal.	Yes	Common Man (extended overtime eligibility to some workers, though fewer than an earlier blocked proposal)	Low-Moderate
9	Family separation policy and heightened immigration enforcement (2018).	No		
10	Withdrawal from the Paris Climate Agreement (2017).	No		
11	Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) - approximately $2.2 trillion in stimulus checks, expanded unemployment benefits, and business loans.	Yes	Common Man (record poverty-reducing transfer payments, per Census and Columbia University analyses)	High
12	Paycheck Protection Program (2020) - forgivable loans to small businesses to maintain payrolls during the pandemic.	Yes	Mixed (helped many small businesses retain workers; a meaningful share of funds also reached well-capitalized firms)	Moderate
13	Families First Coronavirus Response Act (2020) - paid sick and family leave provisions and expanded food assistance.	Yes	Common Man (paid leave and food assistance for affected workers and families)	Moderate
14	Consolidated Appropriations Act, 2021 (December 2020) - a second major COVID relief package including additional stimulus checks.	Yes	Common Man (additional broad-based stimulus and extended unemployment support)	Moderate-High
15	Withdrawal from the Trans-Pacific Partnership (2017).	No		

Narrative Analysis - Items with Meaningful Inequality Impact

Only a subset is expanded here to keep this as a true companion report.

Tax Cuts and Jobs Act (2017) - inequality impact

The TCJA permanently cut the corporate tax rate from 35% to 21%, created a new deduction for pass-through business income, temporarily cut individual rates and nearly doubled the standard deduction through 2025, capped the state and local tax deduction at $10,000, and doubled the estate-tax exemption. It passed with only Republican support in both chambers.

The distributional design is unusually well documented because of its permanent/temporary split: the Center for American Progress found the top 1% received roughly a third of the corporate tax reduction while the middle quintile received about 8%, and projected that in 2025 (the last year before individual provisions expire) the top 1% will average a $61,090 cut versus $910 for the middle quintile and just $70 for the lowest quintile. Because the corporate and estate-tax provisions are permanent while the individual provisions sunset, the law's distributional tilt toward the top is built into its structure to become more pronounced over time rather than less.

Impact rating: High. A tax reform whose permanent provisions are structurally and durably skewed toward corporate and high-net-worth beneficiaries, independent of the temporary individual relief.

CARES Act (2020) - inequality impact

Enacted as the pandemic triggered the sharpest and fastest economic contraction on record, the CARES Act delivered direct stimulus checks ($1,200 per adult plus $500 per child), a $600-per-week federal supplement to unemployment benefits through July 2020, and forgivable loans to small businesses through the Paycheck Protection Program, among other provisions.

The inequality relevance is exceptionally well documented: Columbia University researchers estimated the stimulus checks and expanded unemployment benefits lifted 18 million people out of poverty in April 2020 alone, and Census Bureau data later confirmed that once government assistance and taxes were counted, the poverty rate fell by 3.1 percentage points in 2020 — the largest one-year decline on record — even as the pandemic produced record job losses. Because eligibility was broader than most safety-net programs (reaching well beyond traditionally low-income recipients) and benefits were front-loaded early in the crisis, the law's poverty-reducing effect was unusually large relative to its cost, though it faded considerably once the enhanced unemployment supplement expired in July.

Impact rating: High. The most effective single poverty-reduction intervention documented in this treatise, notable for occurring during the sharpest recession of the period.

Opportunity Zones (2017) - inequality impact

Created as part of the TCJA, this program allowed investors to defer and reduce capital gains taxes by reinvesting gains into designated low-income census tracts, with the stated goal of directing private capital toward distressed communities that had been bypassed by the broader recovery from the 2008 crisis.

The inequality relevance is a genuine case study in intent versus documented outcome. Subsequent research, including from the Urban Institute and academic economists, found that Opportunity Zone investment was concentrated in areas that were already gentrifying or adjacent to higher-income areas, with much of the tax benefit accruing to investors and real estate developers rather than producing clearly measurable improvements in income, employment, or poverty for existing residents of the designated zones. The program illustrates how a policy's stated distributional intent (directing capital to distressed communities) can diverge from its documented distributional outcome (tax benefits concentrated among investors).

Impact rating: Moderate. A policy with redistributive intent whose realized benefits were documented by subsequent research to be concentrated among investors rather than the low-income residents it was designed to help.

First Step Act (2018) - inequality impact

This bipartisan criminal justice reform law reduced some federal mandatory minimum sentences, expanded judicial discretion to depart from mandatory minimums for low-level drug offenses, retroactively applied the 2010 reduction in the crack-versus-powder-cocaine sentencing disparity, and expanded credit-earning opportunities that allow eligible federal inmates to be released earlier for participating in recidivism-reduction programming.

The inequality relevance runs through incarceration's well-documented long-run economic costs, which fall disproportionately on lower-income and minority communities: reduced sentences and expanded early-release opportunities shorten the duration of labor-market disruption, lost wages, and family instability associated with incarceration for the population affected. The law's scope was limited to the federal system, which houses a minority of the U.S. incarcerated population, constraining its aggregate scale relative to state-level sentencing policy.

Impact rating: Moderate-High. A meaningful, bipartisan reduction in federal incarceration severity with well-documented long-run economic benefits for affected communities, limited in aggregate scale by its federal-only scope.

Sources

- Congress.gov - Tax Cuts and Jobs Act of 2017 summary
- Congress.gov - CARES Act (Coronavirus Aid, Relief, and Economic Security Act) summary
- Congress.gov - First Step Act of 2018 summary
- Center for American Progress - The Tax Cuts and Jobs Act Failed To Deliver Promised Benefits
- Congressional Budget Office - How the 2017 Tax Act Affects CBO's Projections; distributional estimates
- Center on Budget and Policy Priorities - Government's Pandemic Response Turned a Would-Be Poverty Surge Into a Record Poverty Decline
- Columbia University Center on Poverty and Social Policy - The CARES Act and Poverty in the COVID-19 Crisis
- U.S. Bureau of Labor Statistics - historical unemployment rate series, 2017-2021