Info Sheet 1

Tax Reform Timeline 1960s–1980s

Theme 2: Taxes in U.S. History
Lesson 6: Tax Reform in the 1960s and 1980s

1964 **As a way to boost a sagging economy, a tax cut by the Johnson administration allows taxpayers to have more money to spend on consumer goods.**

1969 **The Nixon administration calls for tax reform. With the Tax Reform Act of 1969, loopholes are closed to corporations and the rich, and exemptions and tax cuts are granted to lower-income groups.**

1981 **The Economic Recovery Tax Act (ERTA) is passed. The program calls for severe cutbacks to federal spending on domestic programs, tax cuts to businesses and high- income brackets, and the reduction of federal regulation in business.**

1986 **The Tax Reform Act of 1986 is passed. The act reduces and simplifies taxes. Despite the tax cuts, federal spending sends the national deficit soaring to over $2 trillion.**