OpenVoiceNews U.S.

Transparent. Unbiased. Yours.

Trump to Sign $4.5T Bill Boosting Real Estate, Cuts Aid.

July 4, 2025
— Categories: Real Estate

A landmark $4.5 trillion spending package is on its way to President Donald Trump's desk after clearing Congress, marking one of the most sweeping economic shifts in recent history. While the bill offers major wins for the real estate industry and high-income earners, critics warn it comes at a steep cost, particularly for the environment and the nation's most vulnerable.

At the heart of the bill is a set of permanent tax benefits first introduced in 2017. These include preserving the mortgage interest deduction, expanding the estate and lifetime gift tax exemption, and maintaining deductions for pass-through entities such as partnerships and S corporations. The cap on state and local tax (SALT) deductions is also increased, offering relief to many property owners in high-tax states.

Perhaps most notably, the package revives and strengthens the Qualified Opportunity Zone program, which gives tax breaks to investors who put money into low-income communities. Lawmakers argue this will spur private development and job creation in struggling areas. Additionally, funding for low-income housing tax credits has been expanded, a move welcomed by affordable housing advocates.

However, the bill isn't without controversy.

In a significant shift away from green energy policy, the legislation slashes multiple clean energy credits. This could force many states to halt solar, wind, and other renewable projects, putting both environmental goals and thousands of construction jobs at risk. Clean energy advocates fear this rollback may delay the country's transition away from fossil fuels.

The social safety net also takes a major hit. The bill includes nearly $1 trillion in cuts to Medicaid, the government health insurance program for low-income Americans. The Congressional Budget Office estimates that these cuts will leave around 11.8 million people without health coverage by 2034. Critics say the changes unfairly burden the poor while benefiting the wealthy.

An IA study from the Institute on Taxation and Economic Policy found that 70% of the net tax cuts in this bill will go to the wealthiest 20% of Americans by 2026. The top 1% alone are expected to receive a staggering $117 billion in tax breaks, compared to just $53 billion for the middle 20%.

While supporters praise the bill as a pro-growth measure that will energize the economy and boost investment, opponents argue it deepens inequality and leaves millions behind. With the bill expected to add $3.4 trillion to the national deficit over the next decade, the long-term impact remains uncertain.

As the ink dries on this massive legislation, the country stands at a crossroads, weighing the promise of private development and economic growth against the cost of lost safety nets and a step back from clean energy progress.