

## 6 Ways a Donald Trump Presidency Could Impact Your Wallet

By [Mikey Rox](#) on 16 September 2015



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Real estate mogul and [political firebrand Donald Trump](#) is turning the 2016 election on its head. He's done an excellent job of monopolizing the overall conversation (whether you like what he's saying or not) and, in turn, he's got pundits across the nation simultaneously wagging their tongues.

But while Trump has plenty to say about a lot of things, it's his focus on the American economy that holds the most weight. After all, he didn't become a big-mouthed billionaire by being a dummy. So how will a potential Trump presidency impact your own wallet? Let's take a look at some of his money-minded stances to get a very early idea of what could be in store.

## 1. Allowing the Interstate Shipping of Alcohol

After Prohibition, the federal government threw up its proverbial hands and stopped meddling in alcohol shipments. As a result, every state over the course of 80 years has made their own laws, some of which are more protectionist than others. What was put into place is the so-called "three-tier system," wherein a winery makes the wine, sells it to a distributor, who then sells to a retailer. Which basically translates to lots of middlemen.

But according to Mark Aselstine, owner of [Uncorked Ventures](#) wine club, the three-tier system is being broken down in a number of places. Wineries now have tasting rooms and websites and sell directly to consumers, for instance, and there's only a small handful of nationwide distributors left.

If Trump wanted, he and Congress could create a federal system like they have in the United Kingdom or Australia.

"Theoretically, the commerce clause allows for interstate shipments of all products and doesn't allow protectionist practices," Aselstine says. "Assuming Trump would want to perhaps enforce the dormant commerce clause, my business might grow 33% overnight based solely on having more markets opened up to my sales." As would Trump Wineries, owned by Trump's son, Eric.

And how would this affect consumers?

"For consumers, no middlemen generally means both better prices and more interesting wine, let alone the fact that when people come to Napa or Sonoma they love spending time with the winemaker, as opposed to sales folks — and more profit per bottle makes that more likely to happen," says Aselstine. "All in all, most think that direct-to-consumer sales is a healthy sign for the industry."

## 2. Putting ObamaCare on the Chopping Block

Republicans across the board, almost unanimously, would like to see ObamaCare repealed. In alignment with his party, Trump has mentioned that if he's president, he'd work to eliminate the Affordable Care Act and replace it with "something terrific." He hasn't yet proposed a solid plan for what he aims to do on the health care front, just that the system should rely on private health plans that are largely unregulated by the government.

That would be good news for many Americans financially strapped by the mandatory ObamaCare plans, including Tanja Crouch.

"For us, our insurance coverage rates tripled, and we had less coverage than prior to Obama," she says. "We can no longer afford annual doctor visits because the premiums are so high there is no money left to pay toward the now escalated co-pays. If ObamaCare was repealed and we returned to former coverage, we would immediately have another \$6,000 to \$7,000 annually in our bank account."

### 3. A Big Shake-Up on the Tax Front

Along with the recent announcement of his new book [Time to Get Tough: Making America #1 Again](#) (because, why not?), Trump also laid out specific plans for tax reform. Called the "1-5-10-15" income tax plan, the reform aims to tax the rich more and the rest of us less. Here's the structure:

- Those making up to \$30,000 will pay 1%.
- Income from \$30,000 to \$100,000 results in a flat 5%.
- \$100,000 to \$1 million income will be taxed at 10%.
- \$1 million or above will be taxed 15%

"I think that a Donald Trump presidency would allow Americans to keep more of their hard earned money as he's made plenty of income tax proposals, such as getting rid of the estate tax, lowering capital gains taxes, and a reducing personal income tax rates for most," says David Bakke, finance expert at [Money Crashers](#). "There might also be more available jobs, since he also proposes abolishing corporate taxes, which might spur potential entrepreneurs to open their own small business, and existing business owners might be able to do more hiring."

John Boyd Jr., principal at The Boyd Company, a location-consulting firm, expands Bakke's theory.

"Donald Trump has a number of economic policy positions that I expect to be popular among job creators, particularly his plan to eliminate corporate taxes (the U.S. currently has the highest nominal rate in the world at 39%). His plan to eliminate corporate taxes can help the U.S. experience a renaissance of new manufacturing and corporate investment activity (over \$2 trillion of U.S. capital is currently sitting overseas because of the high corporate tax rate in the U.S.) Trump also plans to lower the capital gains tax. In my view, this would provide a stimulus to the nation's real estate and stock markets — a much needed boost as interest rate hikes are expected to be on the way — and eliminating the estate tax."

## 4. Imposing Trade Tariffs to Account for the Lost Tax Revenue

Of course, we'll have to make up for a lot of lost tax revenue if Trump's restructuring becomes a reality if he's elected. That likely means imposing trade tariffs on export countries — which, according to Boyd, could create marketplace rifts that may hinder America's economic growth.

"[Trump] said he plans on making up for the revenue that is currently generated through taxes by imposing tariffs on imports from countries like China and Mexico, but that could result in a trade war, which could negatively impact the jobs market," Boyd says.

## 5. No Raise in Minimum Wage

Though Trump has toyed with the idea of proposing two minimum wages — one for young workers and one for older workers — his official stance seems to be that he's not interested in backing a higher minimum wage (which is already a hot-button issue this election cycle). Instead, the minimum wage under his presidency will remain the same — but there's a logic to it, according to Trump.

In a recent interview on NBC's "Meet the Press," he insisted that [minimum wage](#) would be a non-issue if he's elected. "I'm going to bring jobs back. You will even be surprised, Chuck, you will be very surprised," Trump told host Chuck Todd. "So that we won't even have to be talking about the minimum wage."

## 6. Vowing to Leave Social Security and Medicare Alone

Unlike many of the other Republican candidates gunning for the GOP nomination, Trump is [opposed to cutting programs](#) relied on by the elderly, disabled and poor, like Social Security and Medicare. "It's not fair to the people that have been paying in for years and now all of the sudden they want to be cut," Trump told the New Hampshire Republican Leadership Summit in April. On the flip side, GOP favorite Jeb Bush is on the complete opposite end of the spectrum by proposing that Medicare be "phased out" completely — a stance that doesn't sit well with the millions of Americans who rely on the program.

"Trump, unlike the rest of the GOP field, does not support efforts to privatize Social Security or raise the age for Medicare eligibility," Boyd explains. "This will be popular among retirees and blue-collar Americans — many of the same voters that find his trade policies appealing."