

was cooperating with the Russia investigators in search of a speedy resolution to the probe. ...

**"Cobb had previously said he expected the interviews** to wrap up by Thanksgiving but, as the holiday approached, he backed away from that timeline. Cobb has also said he was looking for Mueller to issue a statement by the end of the year exonerating the president. Mueller's office did not immediately respond to a request for comment on Cobb's characterization of the special counsel probe." <http://politi.co/2BiXwHE>

## **ON TAXES ...**

-- **"GOP tax plan could bring big New Year's surprises,"** by Brian Faler: "American taxpayers may get a jolt on New Year's Day when new tax rules -- including some sudden tax increases -- take effect just days after Republicans hope to pass their overhaul and have it signed into law. In an effort to juice the economy with tax cuts ahead of the midterm elections, the GOP is planning a Jan. 1 start date for its sweeping rewrite of the code. But along with Republicans' much-advertised cuts in business and individual taxes, there would be tax increases as well, some of which have been barely debated.

**"Some people who sell their homes may find** they owe thousands more in taxes; investors could pay more when they sell stocks; and undocumented immigrants could find themselves cut off from a popular child tax credit Republicans plan to expand. Fringe benefits for workers such as subway passes and help with moving expenses will likely no longer be deductible, which might prompt companies to drop them.

**"Payroll administrators** worry they won't be able to make changes to tax withholding by the first of the year, and both large and small businesses may face altogether new tax rules that many scarcely understand. Those overnight changes would leave the public little time to adjust, critics say, and highlight a downside to Republicans' rapid-fire approach to rewriting the code." <http://politi.co/2nTn740>

-- **"GOP negotiators move closer to reducing top tax rate for high-income households but face blowback,"** by WaPo's Erica Werner and Damian Paletta: "Senior Republican negotiators were moving closer to a deal Tuesday to reduce the top tax rate for high-income households from 39.6 percent to 37 percent, blowing by political concerns about aiding the rich in order to ease passage of a \$1.5 trillion tax package. The move, which needs to gain the support of a broad swath of Republicans in the House and Senate, would lower taxes for top earners throughout the country,

potentially addressing the concerns of two GOP constituencies about separate tax legislation passed by the House and Senate.

**"Wealthy individuals in New York, California and other high-tax states** had complained that their taxes might go up under the plan, which curtails the ability of taxpayers to deduct state and local taxes. And conservative House Republicans had said it did not go far enough to bring down top rates - long a principle of Republican economic orthodoxy." <http://wapo.st/2CaPSwE>

**SO**, at the end of the day, Republicans are cutting the top marginal tax rate.

**PRESIDENT TRUMP** is having lunch with tax conferees from both parties. He will deliver his "closing argument" on tax reform in the grand foyer at the White House at 3 p.m. Trump will be joined by five middle income families and talk about how the tax bill will help each one individually, according to a senior administration official. He'll also be flanked by more than 100 people -- many of them young -- to try and press the point that the tax bill will have a lasting impact for the next generation.

**BEN WHITE** talks taxes with **DOUGLAS HOLTZ-EAKIN** in the latest POLITICO Money podcast: "The Republican tax plan is not going to pay for itself, and the Trump administration should stop pretending it will. That's the message from Douglas Holtz-Eakin, a former director of the Congressional Budget Office and senior adviser to President George W. Bush and the presidential campaign of Sen. John McCain (R-Ariz.).

**"I don't think these things pay for themselves. They never have, ' said Holtz-Eakin, president of the conservative think tank American Action Forum, in the latest edition of the POLITICO Money podcast. 'But the growth is really important.'"**  
<http://politi.co/2iZQhty> ... **Listen to the full podcast** <http://apple.co/2nUA2Dc>

**THE JUICE ...**

**-- VP MIKE PENCE'S HOLIDAY PARTY - Pool report:** "Pence entertained about 60 RNC members and spouses at his residence [last night]. Each member received a photo with him upon entering. Drinks included a so-so white wine and a seasonally appropriate mulled (virgin) cider. Food included a delightful baked salmon. ... Guests were entertained by Marine Corps piano, a string orchestra from the Air Force, and a Northern Irish Christian band." **Pic** <http://politi.co/2AU5gxd>

**SPOTTED:** RNC chairman Ronna McDaniel, who Pence referred to as "Ronna Romney