

Agreement to Start Budget Resolution

July 28, 2021

Topline: \$1.5 Trillion

Begin debate on Reconciliation bill no earlier than October 1, 2021

Funds in the new legislation cannot be disbursed until all funding from COVID legislation and ARP has been spent.

Federal Reserve ends quantitative easing

Spending Conditions

Families and Health

Needs based with means testing guardrails/formulas on new spending

Targeted spending caps on existing programs

No additional handouts or transfer payments

Inclusion of S. 1783 Budgeting for Opioid Addiction Treatment Act (LifeBOAT Act)

Climate

Sole ENR jurisdiction on any clean energy standard

Spending on innovation, not elimination. Fuel neutral

Energy and Vehicle Tax policies:

- That CCUS be included and ensure that CCUS on coal and natural gas can feasibly qualify
- If tax credits for solar and wind are included and extended, then fossil tax credits are not repealed (eg. intangible drilling costs and credits for enhanced oil recovery)
- Vehicle and fuel tax credits shall not be limited to electric vehicles – they must include hydrogen.

Offsets Conditions

Any revenue exceeding \$1.5T shall be used for deficit reduction

Corporate tax rate: 25%

Corporate domestic minimum tax: 15%

Raise the top rate on ordinary income: 39.6%

Raise cap gains rate: 28% All in

End carried interest

Tax Gap, Rebate Rule, Dynamic Growth

Senator Manchin does not guarantee that he will vote for the final reconciliation legislation if it exceeds the conditions outlined in this agreement.

Joe Manchin III

Charles Schumer

Will be to demand Joe as man