
FEDERAL POST-ELECTION UPDATE

STATE AND LOCAL TAXATION TASK FORCE

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NOVEMBER 17, 2020



CONGRESS LAME DUCK STATUS & AGENDA

- Senate composition won't be officially decided until January
- House Democrats maintain control but majority eroded
- Congressional leadership expected to remain the same
- COVID-19 Legislation still uncertain
 - Despite progress during pre-election negotiations, Administration and Democrats remain far apart
 - Given President Trump's expected loss, unclear whether Administration will enact a deal before the end of this Congress
- Appropriations Outlook
 - Passage of "minibus" spending packages likely to fund government thru FY 2021
 - House passed most of its bills this Summer, Senate just released a series of spending bills
 - Spending agreement could be the vehicle for other last minute policy items & possibly COVID relief
 - House Ways and Means agenda mostly aligned with Biden's
- Neither party has a mandate and cooperation is vital going into the 117th Congress



BIDEN TRANSITION AGENDA

- Transition team comprised of key federal agency alumni
- First 100 days will set stage as Biden may rescind or freeze regulations from previous Administration
- Major Policy Priorities
 - Comprehensive national strategy to combat the pandemic
 - Invest in infrastructure
 - Provide a middle class tax cut
 - Reforming health care by expanding ACA
 - Tackle climate change



BIDEN COVID-19 PROPOSALS

- \$700 billion economic recovery plan
- Nationwide mask mandate and boost stockpile
- Additional support for small businesses, testing, and \$30 billion for schools
- \$25 billion for therapeutics and vaccine
- Create national contact tracing program
- Address state and local budget shortfalls
- Establish new U.S. Public Health Job Corps



BIDEN TAX PROPOSALS

- Tax credits for new investments in domestic manufacturing
- Raising the corporate tax rate to 28%
- Provide tax relief to lower-and-middle income families, including expansion of the child tax credit
- Increasing tax incentives for employers to offer retirement plans
- Providing refundable low-income renter's and first-time home buyer's credits
- Taxing capital gains and dividends at ordinary rates for those with annual incomes of more than \$1million
- Doubling the tax rate on profits earned by foreign subsidiaries of US firms to 21%
- Imposing a 15% minimum tax on book income of large companies



Questions?

Contact

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