

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- If tax credits for solar and wind are included and extended, then fossil tax credits are not repealed (eg.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*