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Related Practices

Michael Best Strategies LLC

Biden Administration Releases Made in America Tax Plan Report

Today, the U.S. Department of the Treasury released the Made in America Tax Plan Report. The report provides additional depth to the announcement last week of President Biden's American Jobs Plan, a roughly \$2 trillion infrastructure package. Biden's infrastructure plan aims to modernize and fix roads and bridges, expand broadband access, shift to greener energy and heavily invest in electric vehicles.

Biden wants to pay for the roughly \$2.3 trillion infrastructure plan over 15 years using this new tax plan. The report will likely serve as a roadmap for Democrats in Congress as they craft legislation to enact the President's plan.

The Report includes:

- Increase the corporate tax rate from 21% to 28%.
- Increase the global minimum tax from roughly 13% to 21%.
- Eliminate the rule that allows U.S. companies to pay zero taxes on the first 10% of return when they locate investments in foreign countries.
- Institute a 15% minimum tax on a corporation's profits for financial-reporting purposes.
- Increase funding to IRS to increase audits on corporations.
- Deny companies expense deductions for offshoring jobs and provide tax credits to support onshoring of jobs.

Energy Related Tax Provisions

- Eliminate all tax preferences for the oil & gas industry.

- Require companies that pollute to pay into the Superfund Trust Fund to cover the cost of fuel-related cleanup.
- Provide tax incentives for state-of-the-art carbon capture and sequestration projects.
- Create a new tax incentive for long-distance transmission lines to ensure that clean energy can be carried to cities, homes, and businesses.
- Extension of the 48C tax credit program.
- Blender's tax credit for sustainable aviation fuel, enabling the decarbonization of the U.S. transportation sector.
- Provide tax incentives for investments to increase the resilience of households and small businesses to droughts, wildfires, and floods.
- Provide a 10-year extension of the production tax credit and investment tax credit for clean energy generation and storage.

As additional details about Biden's tax plan are released we will be sure to provide further insight.

Related People

Denise Bode

dabode@michaelbeststrategies.com

T 202.844.3804

Tami Buckner

Partner

tjbuckner@michaelbeststrategies.com

T 202.844.3821

Anne Canfield

Partner

accanfield@michaelbeststrategies.com

T 202.747.9570

Sarah Helton

Partner

schelton@michaelbeststrategies.com

T 202.747.9575