

## BRIEFING ROOM

# Build Back Better Framework

OCTOBER 28, 2021 • STATEMENTS AND RELEASES

The Build Back Better Act will create millions of good-paying jobs, enable more Americans to join and remain in the labor force, spur long-term growth, reduce price pressures and set the United States on course to meet its clean energy ambitions.

## Investments in Children, Families and Caregiving that Grow the Economy's Capacity

- **Universal Preschool for all 3- and 4-year Olds:** Expand access to free high-quality preschool for more than 6 million children. This is a long-term program, with funding for six years.
- **Affordable High Quality Child Care:** Limit child care costs for families to no more than 7% of income, for families earning up to 250% of state median income. It enables states to expand access to about 20 million children. Parents must be working, seeking work, in training or taking care of a serious health issue. This is a long-term program, with funding for six years.
- **Affordable, High-Quality Care for Hundreds of Thousands of Older Americans and People with Disabilities in Their Homes and Communities:** Strengthening an existing program through Medicaid and ending the existing backlog and improving working conditions for home care workers
- **Expanded Child Tax Credit:** Extend for one year the current expanded Child Tax Credit for more than 35 million American households, with monthly payments for households earning up to \$150,000 per year. Make refundability of the Child Tax Credit permanent.

## Investments in Clean Energy and Combatting Climate Change

- **Clean Energy Tax Credits (\$320 billion):** Ten-year expanded tax credits for utility-scale and residential clean energy, transmission and storage, clean passenger and commercial vehicles, and clean energy manufacturing.

- **Resilience Investments (\$105 billion)**: Investments and incentives to address extreme weather (wildfires, droughts, and hurricanes, including in forestry, wetlands, and agriculture), legacy pollution in communities, and a Civilian Climate Corps.
- **Investments and Incentives for Clean Energy Technology, Manufacturing, and Supply Chains (\$110 billion)**: Targeted incentives to spur new domestic supply chains and technologies, like solar, batteries, and advanced materials, while boosting the competitiveness of existing industries, like steel, cement, and aluminum.
- **Clean Energy procurement (\$20 billion)**: Provide incentives for government to be purchaser of next gen technologies, including long-duration storage, small modular reactors, and clean construction materials.

### **Affordable Care for Millions of Hardworking Americans**

- **Affordable Care Act Premium Tax Credits**: Extend the expanded Affordable Care Act premium tax credits through 2025. Experts predict that more than 3 million people who would otherwise be uninsured will gain health insurance. Also make Affordable Care Act premium tax credits available through 2025 to 4 million uninsured people in uncovered states.
- **Allow Medicare to cover the cost of hearing**. Establish a hearing benefit in Medicare, a crucial benefit to our seniors for a reasonable cost.

### **Bringing Down Costs, Reducing Inflationary Pressures, and Strengthening the Middle Class**

- **Housing**: \$150 billion investment in housing affordability and reducing price pressures, including in rural areas. Funds go towards building, preserving, and improving more than 1 million affordable rental and single-family homes, including public housing, plus rental and down payment assistance.
- **Education Beyond High School and Workforce Development**: Reduce costs and expand access to education beyond high school by raising the maximum Pell grant, providing support to Historically Black Colleges & Universities (“HBCUs”), Hispanic Serving Institutions (HSIs), Minority Serving Institutions (“MSIs”), and Tribal Colleges and Universities (“TCUs”), and investing in workforce development, including community college workforce programs, sector-based training, and apprenticeships.
- **Earned Income Tax Credit for 17 Million Low-Wage Workers**: Extend for one year the current expanded Earned Income Tax Credit for childless workers.

- **Equity and Other Investments:** Other targeted investments including maternal health, community violence initiatives, Native communities, disadvantaged farmers, nutrition, pandemic preparedness, supply chain resilience, and other areas.

### **Improve Our Immigration System Consistent with the Senate's Reconciliation Rules.**

<b>Policy</b>	<b>\$ billion</b>
Child Care and Preschool	400
Home Care	150
Child Tax & Earned Income Tax Credits	200
Clean Energy and Climate Investments	555
ACA Credits, Including in Uncovered States	130
Medicare Hearing	35
Housing	150
Higher Ed and Workforce	40
Equity & Other Investments	90
<b>Total</b>	<b>1750</b>
<i>Immigration</i>	<i>100</i>

### **Offsets: Ask Largest Corporations and Highest Income Americans to Pay Fair Share and Reduce Cost of Prescription Drugs**

The plan is more than fully paid for by asking the wealthiest Americans and most profitable corporations to pay their fair share. It does not raise taxes on small business and anyone making less than \$400,000 per year. It will also generate economic growth that will increase tax revenue and contribute to deficit reduction.

### **Stop Profitable Corporations from Paying Zero in Tax and Stop Rewarding Corporations That Buyback Stock Rather than Invest in the Company**

- 15% Corporate Minimum Tax on Large Corporations

- 1% Surcharge on Corporate Stock Buybacks

## Stop Rewarding Corporations for Shipping Jobs and Profits Overseas

- Global Minimum Tax: Consistent with OECD and with appropriate effective date for 15%, Country-by-Country
- Penalty Rate for Foreign Corporations Based in Non-Compliant Countries (i.e. Base Erosion and Anti-Abuse Tax)

## Ask Highest Income Americans to Pay Their Fair Share

- New Surtax on Multi-Millionaires and Billionaires
- Close Medicare Self-Employment Tax Loophole by Strengthening the Net Investment Income Tax for Those Making Over \$400,000
- Continue Limitation on Excess Business Losses

## Tax Compliance

- Invest in IRS Enforcement.

## Repeal of Trump Administration Rebate Rule, Which Would Have Increased Seniors' Drug Premiums

Offsets – Estimates, Subject to Confirmation	\$ bil
15% Corporate Minimum Tax on Large Corporations	325
Stock Buybacks Tax	125
Corporate International Reform to Stop Rewarding Companies That Ship Jobs and Profits Overseas	350
AGI Surcharge on the Top 0.02%	230
Close Medicare Tax Loophole for Wealthy	250
Limit Business Losses for the Wealthy	170
IRS Investments to Close the Tax Gap	400
Prescription Drugs: Repeal Rebate Rule	145
<b>Up to a Total of:</b>	<b>1995</b>

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