White House releases FY 2022 budget proposal, ‘Green Book’

The White House released a fiscal year 2022 budget blueprint on May 28 that, as expected, calls for significant tax increases targeting large corporations and high-income individuals to pay for lower- and middle-class tax relief as well as trillions of dollars in new spending on the traditional physical infrastructure projects and “human” infrastructure initiatives the administration has proposed in its American Jobs Plan and American Families Plan.
Along with the budget blueprint, the White House also released what’s known as the “Green Book,” which provides more granular details from the Treasury Department on the administration’s tax and revenue proposals, including some not in the American Families Plan or American Jobs Plan, and their projected impact on federal receipts.


More to come...

Deloitte Tax LLP will take a closer look at what the Green Book reveals about the administration’s tax proposals in a special edition of Tax News & Views that will be published on May 29.

— Jon Traub
  Managing Principal, Tax Policy
  Deloitte Tax LLP

Finance Committee sends Wyden’s ‘Clean Energy for America Act’ to full Senate

Senate Finance Committee Democrats on May 26 voted along party lines to send to the full Senate legislation from Chairman Ron Wyden, D-Ore., that would consolidate roughly 40 current-law energy-related tax provisions into just a handful of “technology-neutral” incentives, while repealing a number of tax provisions benefiting fossil fuel producers; but the bill’s fate is presently unclear, including whether it may be folded into a potential forthcoming infrastructure package or taken up on its own.

Clean Energy for America Act

Chairman Wyden’s legislation – dubbed the Clean Energy for America Act – cleared the committee with only Democratic support on a 14-14 vote. (The power sharing agreement between Senate Majority Leader Charles Schumer, D-N.Y., and Minority Leader Mitch McConnell, R-Ky., allows Democrats, who control the majority in the evenly divided chamber with the tie-breaking vote of Vice President Harris, to advance bills out of committee and to the full Senate when the committee vote is tied.)

Final passage came after panel Democrats swatted away a number of Republican amendments that took aim at the bill’s proposed changes to – among other things – tax incentives for electric vehicles and fossil fuel producers. (The power sharing agreement also gives Democrats veto power over amendments votes that result in a tie.)

In his opening statement at the mark-up, Wyden stressed themes he has mentioned frequently since he rolled out his energy tax proposal in April. (For prior coverage of the plan’s initial roll-out, see Tax News & Views, Vol. 22, No. 21, Apr. 23, 2021.)

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210423_2.html
“On the federal books today is a hodgepodge of 44 different energy tax breaks for a host of fuel sources and technologies,” Wyden said. “...The system is anti-competitive and anti-innovation. It puts the government in the role of picking winners and losers by giving some fuels and technologies big, permanent tax breaks while others have short-term, temporary extensions.”

Wyden said his proposal “throws the old system in the waste bin” and “replaces the old rules with a free-market, technology-neutral system in which reducing carbon emissions becomes the lodestar of America’s energy future.”

In preparation for the mark-up, the nonpartisan Joint Committee on Taxation (JCT) staff released a detailed summary of the provisions included in the bill. That summary was later supplemented by a description of various modifications and additions to the chairman’s mark, including the addition of a production credit for clean hydrogen. Finally, the JCT published a revenue estimate that indicates the modified chairman’s mark would, on net, reduce federal revenues by more than $259 billion over the next decade.

URL: https://www.jct.gov/publications/2021/jcx-26-21/
URL: https://www.jct.gov/publications/2021/jcx-28-21/
URL: https://www.jct.gov/publications/2021/jcx-29-21/

**Clean electricity:** According to the JCT summary, the Clean Energy for America Act would establish a clean electricity production tax credit (PTC) equal to 1.5 cents per kilowatt hour of electricity produced and sold in the 10-year period after a qualified facility is placed in service or a clean electricity business investment tax credit (ITC) equal to 30 percent of qualified investments with respect to qualified facilities and grid improvement property. The new credits would generally apply to qualified facilities placed in service, and qualified investments made after December 31, 2022.

In order to qualify for either the PTC or ITC, facilities and investments generally could not have a greenhouse gas emissions rate, as defined, greater than zero.

In a change from previous versions of Wyden’s energy tax legislation, other conditions would apply in order to claim the credits, such as a requirement to pay wages of at least the local prevailing rates and to utilize registered apprenticeship programs (so-called “Davis-Bacon Act” requirements).

Additionally, taxpayers could elect to receive the tax credits as direct refunds – but to do so, they must inform the Treasury Department prior to the date on which the facility begins construction.

In order to transition to the new system, a slate of current temporary clean energy tax incentives would reset to phase out or expire over the coming years.

**Clean transportation:** With respect to transportation-related tax incentives, Wyden’s proposal would create a technology-neutral “clean fuel production credit” – applicable to qualifying fuel produced after December 31, 2022 – that is designed to incentivize the production of transportation-grade fuels that are at least 25 cleaner in terms of their lifecycle emissions (that is, from production through use in a vehicle) than the current US nationwide average. Qualifying fuels would have to become increasingly cleaner between now and 2030 in...
order to be eligible for the credit, which would begin to phase out when certain emissions targets – as certified by the Environmental Protection Agency and the Department of Energy – are achieved.

Additionally, Wyden’s proposal would remove the per-manufacturer cap on the plug-in electric vehicle (EV) tax credit, make the credit refundable for individuals, and create a 30 percent nonrefundable credit for commercial operators purchasing EVs.

Similar to existing temporary incentives in the clean electricity space, the proposal would grant short-term extensions to the current-law second generation biofuel producer credit and to the credit for alternative fuel and alternative fuel mixtures as a way to transition to the new system.

**Energy efficiency and conservation:** According to the JCT summary, the plan would reform the current tax incentive under section 45L for energy-efficient new homes – setting the credit’s value at either $2,500 for homes meeting the latest requirements of the Energy Star program, or $5,000 for homes meeting the Department of Energy’s Zero Energy Ready program. As with the clean electricity incentives discussed above, contractors would have to comply with prevailing wage requirements and utilize registered apprenticeship programs.

Additionally, the proposal would reform the section 25C credit for nonbusiness energy property, replacing it with an “energy-efficient home improvement credit” that would provide a credit of up to $500 per improvement, subject to an annual cap of $1,500 for all improvements. Sen. Wyden’s plan would also expand the section 179D deduction for energy-efficient commercial buildings.

**Clean energy bonds:** Wyden’s proposal would create a tax credit bond, or so-called “clean energy bond” – available to state, local, and tribal governments, along with public power providers and electric cooperatives – designed to incentivize the production of clean electricity and clean fuel. The maximum credit would equal 70 percent of the bond’s interest (for zero-emission electricity or fuel) and a “direct pay” election would be available under which the Treasury Department would reimburse the issuer at up to 70 percent of the bond’s interest cost.

The proposal would apply to applicable bonds issued after December 31, 2022.

**Fossil fuel incentives repealed:** According to the summary, the plan would repeal a number of current-law tax incentives that Wyden contends benefit fossil fuel producers, including expensing of intangible drilling costs, rules allowing for so-called “percentage depletion,” the deduction for tertiary injectants, amortization of geophysical and geological costs, and credits for marginal oil wells and advanced coal projects, among others.

Further, Sen. Wyden’s plan proposes to tighten the foreign tax credit rules applicable to so-called “dual capacity” taxpayers that are considered major integrated oil companies within the meaning of tax code section 167(h)(5).
GOP not on board

Finance Committee Republicans, for their part, couched their opposition to Chairman Wyden’s plan using many of the same arguments they made during an April 27 hearing focused on energy tax policy. (For prior coverage of that hearing, see Tax News & Views, Vol. 22, No 23, Apr. 30, 2021.)

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210430_2.html

For example, the committee’s ranking Republican, Sen. Mike Crapo of Idaho, stressed that while he agreed on the need to streamline energy tax incentives and acknowledged the merits of a technology-neutral system, he still questioned whether certain renewable energy projects still require taxpayer support.

“[I]n order to maximize taxpayer dollars, we have to take a close look at those technologies that are market mature and end their government subsidization,” Crapo said.

Instead, Crapo spoke in favor of a bipartisan discussion draft he released April 26 with Finance Committee Democrat Sheldon Whitehouse of Rhode Island that would grant an “Energy Sector Innovation Credit” (ESIC) – available as either a 40 percent ITC or 60 percent PTC – to “low market penetration” technologies across a wide range of energy sources. As a technology matures in the marketplace, the ESIC would phase out for that particular energy source.

URL: https://www.finance.senate.gov/ranking-members-news/crapo-whitehouse-release-energy-innovation-tax-credit-proposal

“My technology-inclusive bipartisan energy tax proposal, ESIC, would accomplish this by working with experts at the Department of Energy, national labs, and other stakeholders to target tax credits for innovative clean energy technologies,” Crapo said. “As these technologies become mature, the credits systematically decrease to ensure taxpayer dollars do not subsidize cost-competitive technologies.”

Committee Republicans also came out hard against proposals in Chairman Wyden’s bill that would repeal tax incentives that Wyden says unfairly benefit the fossil fuel industry.

Sen. John Barrasso of Wyoming, who also serves as ranking member of the Senate Energy and Natural Resources Committee, argued that many of those provisions support jobs in rural communities and help support a diversified energy portfolio.

“Amercia needs all the energy, the oil, the gas, the coal, the uranium, the wind, the solar – we need all of it,” Barrasso said. “That is how we maintain our economic strength, and our energy independence. Picking winners and losers is not good tax policy, especially when the winners are America’s rivals.”

Several panel Republicans also expressed concerns about the Wyden proposal’s idea to link qualification for certain energy-related tax incentives to Davis-Bacon Act wage and apprenticeship requirements.
“...I cannot support attaching labor requirements to energy tax policy,” ranking member Crapo said. “Linking labor policy to energy-related tax credits is unprecedented, and I have concerns not only about the policy, but also about the dangerous precedent it sets for amending the tax code.”

Path forward unclear

Notwithstanding the Finance Committee’s successful mark up this week, the ultimate fate of the Clean Energy for America Act remains difficult to predict.

As a threshold matter, it seems unlikely – given the unanimous GOP opposition in committee – that Chairman Wyden’s plan could be included in any bipartisan infrastructure deal that may emerge from current discussions between President Biden and his administration and congressional Republicans. (For recent coverage of those negotiations, see Tax News & Views, Vol. 22, No. 26, May 21, 2021.)

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210521_1.html

The most likely avenue by which Wyden’s plan could advance, therefore, could be as part of a partisan effort by congressional Democrats to move an infrastructure package under the filibuster-proof budget reconciliation process that also has a climate change-mitigation focus, as favored by many progressive Democrats.

Even then, however, the price tag of Chairman Wyden’s plan – nearly $260 billion over 10 years – could prove too steep to be included in full in even a Democrat-only legislative package.

Nonetheless, Sen. Wyden’s proposal – along with the Growing Renewable Energy and Efficiency Now (GREEN) Act (text, section-by-section summary) introduced earlier this year and supported by all Democrats on the House Ways and Means Committee – will be key proposals to watch as the jobs and infrastructure debate unfolds this year.


— Alex Brosseau
Tax Policy Group
Deloitte Tax LLP

Finance Republicans press Batchelder on White House tax proposals

Republican members of the Senate Finance Committee pressed New York University School of Law Professor Lily Batchelder with questions about the Biden administration’s proposal to change the rules for global intangible low-taxed income (GILTI), multilateral discussions on international tax reform, and efforts to address the tax gap during a May 25 hearing to consider her nomination to serve as Treasury assistant secretary for tax policy.
The panel also questioned nominees for other Treasury posts, including Jonathan Davidson (assistant secretary of legislative affairs), Nellie Liang (undersecretary for domestic finance), and Ben Harris (assistant secretary for economic policy).

**GILTI**

Sen. Rob Portman, R-Ohio, expressed concern that a proposal in the president’s American Jobs Plan to double the tax rate on GILTI to 21 percent – especially while retaining the 20 percent foreign tax credit “haircut” on GILTI – would put US companies at a competitive disadvantage against other multinationals.

Batchelder, who was the Finance Committee’s chief tax counsel from 2010-2014 under then-Chairman Max Baucus, D-Mont., told Portman that she has a different perspective on the president’s proposal.

“While I agree that no other country has a minimum tax exactly like ours, they do have many provisions in place designed to limit the ability to shift profits to low-tax jurisdictions by companies resident in their countries that I think are analogous to GILTI,” she said.

Portman characterized their views on this issue as “a fundamental disagreement.”

**OECD negotiations**

The committee’s top Republican, Sen. Mike Crapo of Idaho, also spoke to the plan to increase the GILTI rate, especially while negotiations are still ongoing through the G-20 and Organisation for Economic Cooperation and Development (OECD) about a global minimum tax.

“I’d encourage you if you’re confirmed to use your voice at Treasury to advocate that the US...not pursue raising our taxes before there is even an OECD agreement,” Crapo said. (Crapo discussed his concerns about the international tax negotiations at length in a May 24 letter to Treasury Secretary Janet Yellen. See separate coverage in this issue for details.)

Continuing the discussion of OECD negotiations, Sen. James Lankford, R-Okla., raised a concern that an agreement reached through these talks might not include China or might even provide some kind of exception for China. Such a result, he said, could give that nation a further competitive advantage over the US.

Batchelder said she shared the concern about US competitiveness but added she does not believe that would be the outcome, even if China was not part of the agreement – while noting that she has “no reason to think they wouldn’t be.”

“As I understand the way these negotiations are being structured, if there was an agreement on an international minimum tax, it would not be necessary for every country to sign on in order for it to apply, with some large force, throughout the globe,” she said, referencing the enforcement mechanisms proposed in the most recent blueprint from the OECD on its minimum tax plan (known as Pillar 2).
Lankford also pressed Batchelder on the question of whether the administration might be able to agree to international tax changes that would impact US companies without seeking approval from Congress, even as she committed to keeping Congress fully informed about international negotiations and stated her understanding that any treaty would have to go through the Senate.

“You don’t know of a way taxes could be increased on American companies or American taxpayers through [an] executive agreement the administration would make without going through Congress?” Lankford asked in response. “There has been some conversation that the administration is examining ways to be able to change tax policy without going through Congress, and so we’ll follow up on that in the days ahead,” he said.

Tax gap

Several members of the committee brought up the tax gap, the difference between the amount of tax owed to the government and the amount actually collected. This issue has been an active area of discussion recently as the Biden administration hopes to increase IRS funding specifically for enforcement activities so that the agency is better equipped to identify sophisticated noncompliance activities by corporate entities and wealthy individuals and collect a greater share of the revenue owed to the government.

In line with comments from IRS Commissioner Charles Rettig in April, Batchelder said she believes the current official estimate of the gross annual tax gap – $442 billion a year – is likely understated. (For prior coverage of Rettig’s comments, see Tax News & Views, Vol. 21, No. 20, Apr. 16, 2021.) That estimate is based on data from 2011-13, and Batchelder noted that the IRS’s budget has declined since then, which she speculated has led to weaker enforcement, and the US economy has grown. She recommended that the tax gap estimates be updated “much more frequently – ideally annually.”

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210416_3.html

Batchelder endorsed the Biden administration’s proposals in the American Families Plan to increase audits of large corporations and high-net-worth individuals and said she believes the revenue the White House assumes could be raised through this activity – $700 billion in the first decade and $1.6 trillion in the second – “might be an underestimate,” as it does not account for improved IT systems, additional taxpayer services, or the indirect effects of enforcement on voluntary compliance. On this last point, she noted one statistic that “amazed” her is the low audit rate of partnerships.

“There are some large law firms with thousands of attorneys. Partners make more than $1 million a year, and I find it hard to believe that if one knows that your audit rate is 0.00004 percent that that would not affect voluntary compliance,” Batchelder said.

Sen. Elizabeth Warren, D-Mass., took the opportunity to highlight the Restoring the IRS Act, a bill she introduced May 24 that would classify the enforcement component of the IRS’s budget as mandatory spending so the Service can better focus its audit efforts on the corporations and wealthy individuals.
Stepped-up basis

GOP Sens. Charles Grassley of Iowa and John Thune of South Dakota both expressed concern that a proposal in President Biden’s American Families Plan to repeal stepped-up basis at death would have detrimental effects on family farms and closely held businesses.

Batchelder replied that she understands the American Families Plan proposes an exception for farms and small businesses as long as they continue to be owned and operated by the family. This exception would be in addition to the administration’s proposed increase in the capital gains rate that would also protect the first $1 million in gains for a single filer or $2 million for a couple.

Federal unemployment insurance assistance

Echoing a concern that has been raised by some businesses and Republican lawmakers, Sen. Lankford asked nominee Ben Harris about the economic effect of the federal supplement to state-level unemployment assistance programs that was enacted on a short-term basis in COVID relief legislation in 2020 and renewed in the American Rescue Plan earlier this year. According to Lankford, Oklahoma currently has “the largest number of job openings in history” and the enhanced unemployment benefits mean some people are making more money from this assistance than they would if they accepted a job.

“In my discussions with various business leaders and companies, I have heard this concern, that they were having a hard time in certain instances hiring workers,” Harris replied, but added, “I also committed to being evidenced based, and looking at studies that have come out from the San Francisco Fed [and] various other educational institutions, universities, I have not seen evidence showing that the $300 plus-up has yet been a substantial detriment to hiring.”

“I would invite you meet with any business you want to in Oklahoma,” Lankford countered. “I can drive you around and let you get to meet a lot of folks who would disagree with the San Francisco Fed.”

— Storme Sixeas
Tax Policy Group
Deloitte Tax LLP

Crapo lays out concerns over OECD/G-20 global tax talks

The Senate’s top Republican taxwriter this week sent Treasury Secretary Janet Yellen a lengthy missive on the ongoing international tax negotiations involving nearly 140 countries and led through the Organization for Economic Cooperation and Development (OECD) and G-20 member nations, in which he reiterated what he called “the bipartisan objectives and priorities that served as the foundation” for the US’s entry into the talks and asked for more details on new proposals the US recently presented to its negotiating partners.
With stakeholders in the talks ambitiously targeting mid-summer for political agreement on a new international framework, members of Congress – as well as US multinational corporations – are eager to understand the current state of play.

In his May 24 letter to Yellen, Sen. Mike Crapo, R-Idaho, the ranking member of the Senate Finance Committee, wrote that “US engagement should be based on achieving results that (1) do not harm US businesses and the workers they employ, (2) do not undermine the United States’ tax sovereignty and recognize Congress’ constitutional role in setting domestic tax policy, and (3) ultimately protect the US fisc.”

URL: https://www.finance.senate.gov/imo/media/doc/crapo_letter_on_oecd_negotiations.pdf

Multilateral negotiations through the OECD and G-20 have been in progress for several years now, with the goal of revising international tax rules to reallocate taxing rights among jurisdictions in a way that recognizes the digitalization of the global economy (known as Pillar 1 of the talks) and establishing a global minimum tax (Pillar 2). With Pillar 1 focused on ensuring that companies pay what many countries describe as “their fair share of taxes” in jurisdictions where they earn profits without necessarily having a physical presence, the US has been a leading voice within the group known as the Inclusive Framework (IF) and has worked to prevent US technology companies from being singled out.

Overview of Treasury’s proposal

Under the Biden administration, the US recently reinvigorated the negotiations – which had been essentially put on hold by the Trump administration during the global pandemic – by providing a new proposal in April that would significantly change the focus of Pillar 1.

Under the previous OECD blueprints, including one released last October, the new rules being contemplated would have applied to consumer-facing businesses and automated digital services with global revenue above a certain threshold. (For prior coverage, see Tax News & Views, Vol. 21, No. 46, Oct. 16, 2020.) The new US proposal – which has not officially been released by Treasury but has been widely circulated – would simplify the plan to include only the world’s 100 largest and most profitable multinationals, regardless of sector or country of domicile. (For prior coverage, see Tax News & Views, Vol. 22, No. 19, Apr. 9, 2021.) This is generally understood to target companies with over 20 billion euros of global revenue that achieve certain profitability thresholds.

URL: https://newsletters.usdbriefs.com/2020/Tax/TNV/201016_2.html
URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210409_3.html

In addition, the US called for a “standstill and rollback” approach to the many unilateral digital services taxes (DSTs) that have cropped up in the past several years and endorsed the development of a global minimum tax through Pillar 2 – simultaneously indicating that rate should align with President Biden’s domestic policy goal of a higher 21 percent tax on global intangible low-taxed income (GILTI) as proposed in late March in his American Jobs Plan. More recently, however, Treasury said May 20 that it would accept a global minimum tax of at least 15 percent – with the caveat that “discussions should continue to be ambitious and push that rate higher.” (For prior coverage, see Tax News & Views, Vol. 22, No. 26, May 21, 2021.)

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210521_2.html
Pillar 1 concerns

In its proposal, Treasury emphasized that “the United States cannot accept any result that is discriminatory towards US firms.” However, in his letter to Yellen, Crapo expressed concern that under the US’s new Pillar 1 proposal “a disproportionate amount of the reallocated profits of in-scope companies may be those of market-leading US companies – namely, American technology, pharmaceutical, and consumer products companies that are ‘intangibles-driven.’” He cautioned that that any agreement must be based “on sound international tax principles, and not arbitrary thresholds rooted in politics or popular opinion of the day.”

“Treasury must clearly articulate to Congress the underlying tax policy of its proposed approach and demonstrate why the new strategy justifies ceding US taxing rights over profitable US companies to foreign jurisdictions,” Crapo wrote.

He went on to say that Treasury needs to provide Congress with a detailed analysis of how many US companies would be affected by the proposal, which companies likely would be treated as “in scope,” the magnitude of profits that would be reallocated, and the effect on US tax revenues.

Further highlighting the risk to US technology giants, regardless of their profit margins, French Finance Minister Bruno Le Maire said during a virtual press conference May 26 that one “condition [for France] is to have all big digital companies, being included in the scope” of Pillar 1.

“When I say all important digital companies, it means all important digital companies,” Le Maire said.

Under both the Trump and Biden administrations, US negotiators have insisted that DSTs and similar unilateral measures must be repealed as part of an agreement. Crapo reiterated the importance of this condition, noting that EU says it intends to move forward with a bloc-wide DST this year regardless of the OECD talks and that EU Tax Commissioner Paolo Gentiloni says it will be designed in a way to work within Pillar 1. (In response to these statements, Pascal Saint-Amans, the director of the OECD’s Center for Tax Policy and Administration, said at a conference April 30 that “if [the EU DST] were to qualify as a DST or be considered as discriminatory by the US, it would be dead upon arrival.”)

Crapo asserted in his letter to Yellen that “[t]hese EU statements are directly counter to the OECD’s key objective of the current negotiations” and that “[i]t would be unacceptable for the United States to endorse any agreement that would allow DSTs or similar unilateral measures to continue to be imposed on US companies.”

Pillar 2 concerns

Similarly, Crapo said the US must not accept an agreement that provides an exception from Pillar 2 for any country and noted that the OECD’s Saint-Amans recently indicated China might be considered for such a carve-out.
Crapo’s concern stems from a comment by Saint-Amans in response to a question at the April 30 conference about objections from China that a global minimum tax agreement could hurt its efforts to boost manufacturing and R&D through tax incentives. Saint-Amans replied that “there may be ways through some form of carve-out on Pillar 2, to address the Chinese concerns.” He also mentioned carve-outs that could exempt France’s patent box. However, Saint-Amans told Law360 in an email May 25 that his comments had been “clearly misunderstood” and that no country would get a specific carve-out.

“The current conversation explored different carve-out options which could have different impacts,” he said.

More details needed

Crapo’s letter laid out a number of questions for Yellen for which he requested a response by June 4. These include requests for specific data, such as which companies would be in scope for Pillar 1 under certain revenue and profit margin assumptions, and broader questions about the benefits to the US under Pillar 1 and “the sound tax principles underlying Treasury’s proposed Pillar 1 approach.”

In a question unlikely to receive a favorable response, he also asked if the administration would “commit not to take the…step of making GILTI far more stringent before other countries even take their first step of enacting a global minimum tax.” (Crapo and other Republicans similarly raised this issue at a May 25 hearing with Lily Batchelder, the nominee to be Treasury’s assistant secretary for tax policy. See separate coverage in this issue for details.)

Status of negotiations

The G-7’s finance ministers will meet virtually May 28 and in person the week of May 31, and a number have expressed optimism that a political agreement within this group – and then within the G-20 and the broader Inclusive Framework – is within reach.

“What we are in the final phase of getting an agreement,” German Finance Minister Olaf Scholz said May 26 in a virtual press conference with France’s Le Maire. “It’s not done yet but looks like we will be there very soon.”

— Storme Sixeas
    Tax Policy Group
    Deloitte Tax LLP

A note on our publication schedule

The House and Senate will be out of session from May 29 through June 5 for the Memorial Day recess.
As noted elsewhere in this issue, we plan to publish a special edition of *Tax News and Views* on May 29 with details on the tax proposals included in the Biden administration’s fiscal year 2022 budget blueprint and described in the Treasury Department’s “Green Book.” (See separate coverage for a link to the Green Book.)

**URL:** https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/TNV/210528_1.html

Otherwise, barring any significant unexpected developments on the tax policy front, the next week-in-review edition of *Tax News & Views* will be published the week of June 7 when the legislative session resumes.

— Jon Traub  
Managing Principal, Tax Policy  
Deloitte Tax LLP

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

**About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.