

# Federal Tax Policy 2015

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# Politics and Gridlock??



# Politics and Gridlock (cont.)

- Since 1980, control of Senate has changed six times (House - - three)
- Maj. Of Dem. Senators have never been in minority since 2006
- For entire Senate, 46 Senators have fewer than six years (most since 1982)
- 53 Senators have House experience (most since the 1940s)
- 10 Senators born in 1970s
- \$100M to be spent on TV ads before March 2016
- House leadership changes, vote in conference on Oct. 8, entire House on Nov. 2

# Focus on 2016

- 2016 GOP seats were part of 2010 wave
- Senate - - GOP 24 seats, 10 Dem. seats
  - Seven GOP seats in states which Obama has won - - Fla., Iowa, Ohio, Pa., Wisc., N.C., and Ind.
- Senate in 2018 - - Dem. seats 24, 8 GOP seats
  - 7-9 toss-ups but only two are GOP seats

# 2015 Must Dos?

- Debt limit - - Nov. / Dec.
- Highway - - Oct. 29 / Dec.?
- CR - - Dec. 11
- Ex-Im Bank - - same as highway?
- Trade bill - - in conference
- Reconciliation for ACA - - Oct. through Dec.
- Sequestration fix - - Dec.11
- FAA - - March 2016
- Miscellaneous tax accomplishments such as identity theft or charitable or pensions?
- Leftovers from 2014
  - Tax Reform - - only intl.
  - Multiemployer pensions fixes
  - Tax Extenders - - with highways or CR
  - Inversions and Intl reforms as offsets?
  - Internet Tax Freedom / Marketplace Fairness - - Dec.11

# Tax Extenders

- Senate - - over 50 provisions for two years
  - Current policy plus
  - Cost \$84B (vs. \$86B if all extended for two years)
- House - - handful of provisions permanent (R&D, 179, AFE, CFC, S Corp, bonus)
- Deal?
  - All Senate items plus a few perm. House bills
  - “Most” Senate items, several perm. House bills, plus WH item
  - “Most” Senate items



***Managing Tax Audits and  
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