Agreement to Start Budget Resolution

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- If tax credits for solar and wind are included and extended, then fossil tax credits are not repealed (eg.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