

DC Tax Flash: McConnell Confirms Quick Action Expected on Forthcoming Virus Relief Bill

Tax Alert
07.07.2020

Senate Majority Leader Mitch McConnell (R-KY) expects Congress to assemble and vote on a new coronavirus relief bill later this month. "I think the country needs one last boost," he told reporters.

In a [podcast interview](#), the Majority Leader said that his top priority for inclusion is liability protection for "hospitals, doctors, nurses, businesses, colleges, universities, K-12 education...everybody should be protected from an epidemic of lawsuits," he said. "Beyond that, we need to have kids back in school and continue to save as many jobs as possible."

Other policy provisions cited by Sen. McConnell as top contenders include:

- Aid to states for education
- Stabilizing funding for unemployment benefits (with restrictions to prevent benefits from exceeding current income levels)
- Another round of direct payments to citizens (with tighter means testing)

Across the Capitol, a [\\$3.4 trillion counterproposal](#) to the emerging Senate package passed the Democrat-controlled House in May. The [Health and Economic Recovery Omnibus Emergency Solutions \(HEROES\) Act \(H.R. 6800\)](#) cleared the House with just one Republican vote. Hammering out a compromise bill that can clear both chambers may be as difficult as it is time consuming.

[As briefly described by the Congressional Research Service](#), the HEROES Act:

- provides FY2020 emergency supplemental appropriations to federal agencies;
- provides payments and other assistance to state, local, tribal, and territorial governments;
- provides additional direct payments of up to \$1,200 per individual;
- expands paid sick days, family and medical leave, unemployment compensation, nutrition and food assistance programs, housing assistance, and payments to farmers;
- modifies and expands the Paycheck Protection Program, which provides loans and grants to small businesses and nonprofit organizations;
- establishes a fund to award grants for employers to provide pandemic premium pay for essential workers;
- expands several tax credits and deductions;
- provides funding and establishes requirements for COVID-19 testing and contact tracing;
- eliminates cost-sharing for COVID-19 treatments;
- extends and expands the moratorium on certain evictions and foreclosures; and
- requires employers to develop and implement infectious disease exposure control plans.

A section-by-section summary of the HEROES Act is [posted here](#).

The White House also supports another package of relief and incentives. The President and his staff have discussed a number of policy options over the past several weeks in speeches and interviews. These include additional direct payments to citizens, tax incentives for travel and entertainment, a payroll tax cut, liability protections, lowering capital gains taxes and more.

The time frame for legislative action this summer is tight. The House and Senate are in recess this week and next. Both chambers plan to return to work on July 20, 2020. The House is aiming to recess for the summer on July 30, while the Senate plans to recess on August 7.

The Democratic Party Convention is scheduled for August 17-20 in Milwaukee, WI. Republicans are planning to hold their convention August 24-27 in Jacksonville, FL.

Both chambers plan to return from summer recess on September 8, 2020.

[Miller & Chevalier Coronavirus Task Force](#)

The outbreak of COVID-19 is creating significant business and legal challenges for companies throughout the world. In response to client demand, the firm has formed an interdisciplinary task force to help businesses navigate these issues.

[COVID-19 Resource Library](#)

We also maintain a resource library of [legislative responses](#) and [regulatory guidance](#) related to COVID-19.

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