

DC Tax Flash: Senate to Vote Thursday on New GOP Relief Package

Tax Alert
09.08.2020

Senate Majority Leader Mitch McConnell (R-KY) today introduced [new targeted virus relief legislation](#) and announced that he plans to bring it to a vote on Thursday. The legislation would need 60 votes to advance, which is impossible without Democratic support. Even still, Republicans hope to demonstrate unified support among their 51-member caucus for another round of federal assistance ahead of the November elections.

As currently drafted, the "[Delivering Immediate Relief to America's Families, Schools, and Small Businesses Act](#)." includes the following major provisions:

- Liability protections for businesses, schools and health care workers
- Authorization for states to provide a \$300 weekly unemployment bonus
- \$257 billion in new funding for the [Paycheck Protection Program](#)
- New rules to secure domestic medical and critical mineral supply streams
- Emergency funding for various initiatives, including education, child care, mail delivery, contact tracing, vaccine research and virus therapies, agriculture and livestock, and more

On tax policy, the bill also includes a few newly proposed provisions. One would increase (to \$600 for individuals and to \$1,200 for couples) the [CARES Act above-the-line deduction for charitable contributions](#) in 2020.

Targeting K-12 education, the bill would also create a temporary tax credit for certain contributions to scholarship-granting institutions based on [a proposal by Sen. Tim Scott](#) (R-SC). Another provision would temporarily permit 529 savings accounts to cover certain K-12 education expenses, including private and religious schooling. The provision is based on [Sen. Ted Cruz's legislation](#) (S. 157).

- [283-page text of the Senate GOP proposal](#)
- [Four-page summary](#)
- [Press statement issued by Leader McConnell](#)
- [Statement opposing the legislation issued by congressional Democratic leaders](#)

[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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