

# TAX TAKE: Top 10 Questions Now That the Committee on Ways and Means Has Passed the Reconciliation Bill Tax Title: Part Two

Tax Alert  
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As promised, we are back with more questions (and to be frank, probably could go beyond five) as the process continues to play out and the reconciliation package wends its way through both the House and Senate.

6. **What to Make of Senate Majority Leader Schumer and Speaker Pelosi's Announcement Regarding a [Framework of Pay-fors for the Reconciliation Package](#)?** What we've been hearing regarding pre-conferencing of the bill is true – Speaker Pelosi has repeatedly said she will not send a bill out of the House that has no chance of passing in the Senate. So the framework is really a menu of raisers, none of which have been agreed-upon as of now. In other words, the framework probably looks like a combination of most of what we've already seen.
7. **How Will Today's Expected Vote of the Bipartisan Infrastructure Framework in the House Impact the Reconciliation Bill's Progress?** Speaker Pelosi has promised a vote today, and we think that it will proceed. As has been the case all along, the progressives want to be assured that their social infrastructure agenda will be largely advanced in the reconciliation bill. Given that the negotiations as to the scope of the spending priorities are bicameral, it stands to reason that the work can proceed on parallel tracks and we can finally get away from threats of holding the process hostage in the hopes of extracting guarantees.
8. **Where Do We Stand on the Menu of International Options Before Us?** The House bill, while not without its sticking points, has generally been well-received as a cohesive, more reasonable framework of provisions. It remains to be seen how and to what extent they are impacted by the proposals in the [discussion draft](#) put out by Chairman Wyden and other Finance Committee members, but some of those ideas are not quite ready for primetime, and it will likely depend on how much further they've been fleshed out in the last few weeks.
9. **How is the OECD Pillar 1 and 2 Discussion Impacting the Timeline of the Bill and the Contents of the International Title?** The Administration is leaning hard on Congress to advance its Pillar 2 agenda through the international modifications included in the bill, and we see the result of that pressure: the Ways and Means bill includes country-by-country GILTI determinations, retains an exemption for a reduced percentage of CFCs' qualified business asset investments (QBAI), and modifies the BEAT such that the rules are only imposed if the recipient's effective tax rate is below a certain threshold – all more or less in accordance with the cornerstones of Pillar 2. Now whether these modifications can actually be enacted in time for Treasury to make a showing of good faith on the international stage is another issue...Congress is on schedule, however.
10. **When Will all this End?** As big fans of late December tax bills, we here at Tax Take were feeling bullish on this process playing out through the fall. But, it looks like there might be a greater sense of urgency on the part of lawmakers – dare we hope to see a bill passed before we order our Thanksgiving turkeys?

Stay tuned. [#TaxTake](#)

## Upcoming Speaking Engagements and Events

Marc will discuss the upcoming tax legislative agenda at the [Savannah Estate Planning Council's 2021 Fall Meeting](#) on October 21.

Marc will speak at the [56th Annual Southern Federal Virtual Tax Institute](#) on a panel titled, "The 2021 Legislative Landscape: Evaluating Actual and Potential Changes," on October 25.

## **In the News**

Loren and Tax Member [Layla Asali](#) were [elected Fellows](#) of the American College of Tax Counsel.

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