



# TaxNewsFlash

## United States

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### Legislative Update: Senate Democrats propose repealing tax cuts to pay for infrastructure

U.S. Senate Democrats today proposed a \$1 trillion infrastructure plan that would be paid for by repealing numerous tax cuts that were enacted in December 2017 (Pub. L. No. 115-97, also referred to as the "Tax Cuts and Jobs Act").

Under the Democrats' infrastructure plan:

- The top individual income tax rate would return to 39.6%.
- The corporate income tax rate would be increased to 25%.
- The changes made by the new tax law to the individual alternative minimum tax (AMT) would be repealed and would return to the AMT rules as in effect in 2017 (before the new tax law).
- The increase in the estate tax exemption amounts would be repealed.

In addition, further changes would be made to the tax treatment of partnership "carried interests."

These proposed tax changes would, according to the legislation's sponsors, raise \$1.022 trillion over 10 years.

The infrastructure legislation would fund investments in projects for roads, bridges, schools, airports, and "universal" high-speed internet. Senate minority leader Chuck Schumer (D-NY) said in a ["tweet"](#) that "the American people will prefer creating close to 15 million middle-class jobs than giving tax breaks to the wealthy."

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