



# TaxNewsFlash

## United States

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### **Legislative update: House passes “omnibus” spending bill; includes tax provisions**

The U.S. House of Representatives today passed, by a vote of 256 to 167, an “omnibus” appropriations bill that would fund various government programs through the end of the fiscal year (i.e., through September 30, 2018).

The omnibus spending bill (H.R. 1625) contains revenue provisions, including:

- A modification of the new deduction (provided in the 2017 new tax law) for qualified business income of a cooperative and its patrons
- Changes to the low-income housing tax credit with respect to the state housing credit ceiling and the average income test for qualified low-income housing projects
- An extension through September 30, 2018, of certain excise taxes dedicated to the Airport and Airway Trust Fund
- Technical corrections to various legislation enacted before 2017

### **Documents**

The Joint Committee on Taxation (JCT) prepared the following documents:

- Read a description of the revenue provisions of the bill: [X-6-18](#)
- Read a table showing the estimated revenue effects of the bill: [X-7-18](#)

### **Tax technical corrections title of the bill**

The technical corrections title of the bill does not include corrections relating to the new tax law (Pub. L. No. 115-97) as enacted on December 22, 2017.

The technical corrections title does, however, include a host of technical corrections to legislation enacted before 2017, including provisions relating to the following:

- The partnership audit regime (including provisions with respect to “push-out” treatment of passthrough partners in tiered structures)
- The research credit (not reinstating the alternative incremental credit)
- Tax-free distributions involving real estate investment trusts (REITs), the exception from Foreign Investment in U.S. Real Property Tax Act (FIRPTA) for qualified foreign pension funds, and other REIT provisions

## What's next?

The U.S. Senate is expected to consider the bill soon. Assuming Senate passage, the president would need to sign (or not veto) the legislation for it to become law.

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