



TaxNewsFlash

United States



No. 2023-007
January 10, 2023

Legislative update: House passes IRS defunding bill

The U.S. House of Representatives yesterday passed H.R. 23 (the “Family and Small Business Taxpayer Protection Act”), by a party-line vote of 221 to 210. The bill would rescind \$71.6 billion of the \$79.6 billion in additional funds appropriated for activities of the IRS under H.R. 5376, commonly called the “Inflation Reduction Act of 2022” (IRA). The funds that would be rescinded include all additional funds appropriated for enforcement activities. The Congressional Budget Office has estimated that the rescission would increase the deficit by \$114 billion.

Read the [text](#) [PDF 32 KB] of the bill

In order for the bill to become law, the bill would have to be approved by the Democratically controlled Senate and be signed by President Biden.

Following passage of the bill by the House, Senate Finance Committee Chairman Ron Wyden (D-OR) released a [statement](#) indicating strong opposition to the proposed measure and expressing his view that the bill would be “going nowhere in the Senate.”

Read a [CBO estimate](#) [PDF 147 KB] of the budget effects of the bill

kpmg.com/socialmedia



The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at + 1 202.533.3712, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)