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Legislative update: House passes bill to increase debt limit, partially rescind IRS funding

The U.S. House of Representatives yesterday passed H.R. 3746 (the “Fiscal Responsibility Act of 2023”), to increase the federal debt limit, by a vote of 314-117 (with 149 Republicans and 165 Democrats voting for it, and 71 Republicans and 46 Democrats voting against it). The bill specifically would suspend the federal debt limit through January 1, 2025.

The bill would also immediately rescind \$1.4 billion of the \$80 billion of funding for the IRS provided in H.R. 5376 (commonly called the “Inflation Reduction Act of 2022” (IRA)). In addition, lawmakers separately agreed to reappropriate \$20 billion of IRS funding provided in the IRA over the next two fiscal years (\$10 billion in FY 2024, and \$10 billion in FY 2025).

Read [text](#) [PDF 243 KB] of the bill

The bill must now be approved by the Senate and signed by President Biden. Senate Majority Leader Chuck Schumer (D-NY) placed the bill on the Senate calendar yesterday so that senators can begin consideration of the bill as soon as today. Both Schumer and Senate Minority Leader Mitch McConnell (R-KY) have endorsed the bill.

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