



# TaxNewsFlash

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## Legislative update: Senate passes bill to increase debt limit, partially rescind IRS funding; President Biden to sign

The U.S. Senate yesterday passed H.R. 3746 (the “Fiscal Responsibility Act of 2023”), to increase the federal debt limit, by a vote of 63-36 (with 44 Democrats, 17 Republicans, and 2 Independents voting for it, and 4 Democrats, 31 Republicans, and 1 Independent 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

President Biden is expected to sign the bill as soon as today.

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