

GMS Flash Alert

2021-101 | April 1, 2021



United States – President Unveils American Jobs Plan, Made in America Tax Plan

During a March 31, 2021 speech in Pittsburgh, Pennsylvania, U.S. President Joseph R. Biden unveiled the “American Jobs Plan,” a \$2 trillion infrastructure package, alongside the “Made in America Tax Plan,” which would reform the U.S. corporate tax system.¹ These plans represent part of President Biden’s two-pronged “Build Back Better” recovery plan. Prior to President Biden’s speech, the White House released a fact sheet on these proposals.²

WHY THIS MATTERS

Notably, the proposals announced on March 31 do not contain many tax elements relevant to international assignees or global mobility programs. However, proposals relating to individual taxation are expected to be part of the second prong of the recovery plan to be announced in the coming weeks. For details on President Biden’s individual and estate tax campaign proposals that may be included in upcoming plans see the [KPMG Report: Biden Administration and the 117th Congress; possible tax legislation](#), published by KPMG LLP (U.S.).

The American Jobs Plan

The Biden Administration has described the American Jobs Plan as consisting of four key elements:

1. Investment in transportation infrastructure, such as roads, bridges, and rails.
2. Investment in “how we live at home,” including infrastructure relating to clean water; universal access to affordable broadband; upgrading and reorienting power infrastructure; and investment in repairs of schools, community colleges, child-care facilities, federal buildings, and the veteran hospital (VA) system.
3. Investment in “care infrastructure,” including through measures to reduce the waitlist for seeking care for family members and through making sure that essential health-care jobs are “well paying.”

4. Investments in research and development (R&D), clean energy R&D, incentives for domestic production in certain areas, and workforce training and apprenticeships.

The American Jobs Plan also includes tax incentives intended to advance its policy goals.

See KPMG's [TaxNewsFlash: President Biden announces plans with major business tax proposals](#) for a chart highlighting key tax proposals referenced in the fact sheet's discussion of the jobs plan.

The Made in America Corporate Tax Reform Plan

The fact sheet states that, along with the American Jobs Plan, President Biden "is proposing to fix the corporate tax code so that it incentivizes job creation and investment here in the United States, stops unfair and wasteful profit shifting to tax havens, and ensures that large corporations are paying their fair share." It further describes the proposed changes as fundamentally reforming the way the tax code treats the largest corporations and helping to "bring an end to the race-to-the-bottom on corporate tax rates that allows countries to gain a competitive advantage by becoming tax havens."

See KPMG's [TaxNewsFlash: President Biden announces plans with major business tax proposals](#), for a chart highlighting key tax proposals in the Made in America Corporate Tax Reform Plan as described by the fact sheet.

FOOTNOTES:

1 See "Remarks by President Biden on the American Jobs Plan" (March 31, 2021) at: <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/03/31/remarks-by-president-biden-on-the-american-jobs-plan/>.

2 [FACT SHEET: The American Jobs Plan | The White House](#).

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