

Build Back Better Act, H.R. 5376

In late October, the Administration released details of a [deal to implement the President's Build Back Better agenda](#). On November 19, the House passed a [version of the Build Back Better Act](#) by a vote of 220 to 213. Cost estimates are based on the November 18 score from the [Congressional Budget Office](#). Below is a review of key details of importance to nonprofits. This summary will be updated as legislative text is revised.

Spending - \$1.7 Trillion

- **Universal Pre-K for 3- and 4-Year Olds:** Funding available for six years. Sec. 23002
- **Paid Leave:** 4 weeks of paid family and medical leave beginning in 2024. Sec. 130001
- **Child Care:** The bill would limit child care costs to 7% of income for working families earning up to 250% of state median income. Funding available for six years. Sec. 137101 et seq.
- **Child Tax Credit:** Continuation for one year of expanded credit (\$3,600 per child under age 6; \$3,000 per child aged 6–18). The bill would also make permanent the refundability of the tax credit. Secs. 137101-137103
- **Earned Income Tax Credit:** Expanded EITC for childless workers extended for one year. Sec. 137201
- **National Service:** The bill would provide \$15.2 billion for the Corporation for National and Community Service to expand national service programs, including \$6.9 billion for projects related to climate resilience and mitigation and \$3.2 billion for AmeriCorps state and national programs. Sec. 26001
- **Home Care Services:** Medicaid home care services for seniors and people with disabilities would be expanded. Sec. 30711
- **Medicare:** Expansion to cover hearing services included, but not dental or vision services. Sec. 30901
- **Housing Aid:** \$150 billion devoted to public housing, rental assistance, down payment support and "building more than 1 million new affordable rental and single-family homes." (Down from \$327 billion in House committee-approved bill.) Title IV, Sec. 40001, et seq.
- **Civil Penalties:** The bill includes significant increases in the maximum level of civil penalties for violation of federal safety, wage, and labor laws. Secs. 21004-21006
- **Climate:** \$555 billion for climate programs, including \$320 billion for expanded tax credits for clean energy. Title XIII, Subtitle D – Green Energy

Revenues - \$1.3 Trillion

- **Corporate Minimum Tax:** A new 15% tax imposed on companies with financial statement income over \$1 billion. Sec. 138101
- **Stock Buybacks:** 1% tax on stock buybacks. Sec. 138102
- **Millionaires Tax:** A surtax of 5% on adjusted gross income over \$10 million, and an additional 3% on adjusted gross income over \$25 million. Sec. 138203
- **SALT Cap:** The amended bill would raise the annual cap on state and local tax deductions to \$80,000 from \$10,000 and keep it at that level through 2030 before returning to \$10,000 for 2031. Sec. 137601
- **Tax Gap:** The bill would hike funding for IRS enforcement to raise \$400 billion in unpaid taxes. Sec. 63001

Not Included in the Build Back Better Act

- **Free Community College**
- **Tax Rate Hikes:** The framework does not include increases in the top tax rates for individuals and corporations. The taxes included in the framework are new approaches added on top of the existing tax rates.