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## LESS

Households earning \$500,000 would face 1% increase in tax burden if House passes tax-and-climate bill.

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*By Laura Davison, Bloomberg News (TNS)*

Corporations will pay nearly \$296 billion more in U.S. federal taxes over the next decade, and middle-income households will see some tax cuts, under the tax-and-climate bill that is likely to become law in the coming days.

That's the takeaway from analysis released Tuesday by the Congressional Joint Committee on Taxation.

About \$222.2 billion of the increase on businesses will come from a new corporate

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contributing to the decrease in tax burden.

Taxpayers earning at least \$500,000, a group that's more likely to own stocks, will see their taxes go up by about 1% next year, reflecting indirect tax increases tied to the corporate-tax hikes. While the legislation doesn't include any direct tax increases on high-earners, the Joint Committee on Taxation's model directs some of the corporate-tax burden on shareholders.

## Friday vote

The figures reflect a corporate-tax increase that's about \$100 billion less than a previous proposal floated by Democratic Senator Joe Manchin and Senate Majority Leader Chuck Schumer several weeks ago.

The Senate passed the bill on Sunday, after making some changes to the tax provisions to get all 50 in the Senate Democratic caucus on board, in face of united Republican opposition. It is now set for a vote in the House on Friday.

Lawmakers narrowed the corporate minimum tax to make it less burdensome on manufacturers and created a special carveout for private equity to get the remaining Democratic holdout—Senator Kyrsten Sinema—to vote for the bill. A proposal to restrict another tax break for investment-fund managers, known as carried interest, was also eliminated from the bill at the Arizona Democrat's request.

The Joint Committee on Taxation data also show that a last-minute addition to the bill, restricting the losses a pass-through business can write off in any given year, will raise \$52.8 billion over the decade.

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