

Trump-Inspired One Big Beautiful Bill Passes U.S. House

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This week, the U.S. House of Representatives narrowly passed the "One Big Beautiful Bill Act," a sweeping Republican-led legislative package that slashes taxes, boosts border and defense spending, rolls back clean energy incentives, restricts social welfare and healthcare programs, and advances Trump-era priorities across immigration, education, and judicial policy. The bill passed by a 215-214 vote, reflecting deep partisan divisions and extensive intra-party negotiations among Republicans.

There are several key provisions of the bill affecting businesses across the country.

Tax and Fiscal Policies

- **Extension of 2017 Tax Cuts:** The bill extends tax cuts from the 2017 Tax Cuts and Jobs Act, primarily benefiting high-income earners.
- **New Tax Deductions:** Introduces temporary tax exemptions for tips, overtime and elder care deductions, all set to expire in 2028.
- **SALT Deduction Cap Increase:** Raises the state and local tax (SALT) deduction cap to \$40,000 for taxpayers earning below \$500,000.
- **Remittance Tax Adjustment:** Imposes a 3.5% tax on international remittances, reduced from an initially proposed 5%.
- **Debt Ceiling Increase:** Raises the federal debt ceiling by \$4 trillion to prevent a default.

Energy and Environmental Policies

- **Clean Energy Incentive Rollbacks:** Eliminates or accelerates the phase-out of tax credits for clean energy initiatives, including those for rooftop solar and electric vehicles.
- **Fossil Fuel Support:** Promotes traditional energy production by enabling expedited permitting for natural gas infrastructure.

Defense and Education

- **Defense Spending:** Allocates an additional \$150 billion in defense spending, focusing on uncrewed drones and related technologies.

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Education Policy Changes: Increases eligibility requirements for Pell Grants, introduces Workforce Pell Grants for trade school students and ends Federal Direct subsidized loans for undergraduates.

Judicial and Regulatory Changes

- **Court Enforcement Limitations:** Includes a measure limiting federal courts' enforcement abilities on certain injunctions, particularly concerning contempt findings without posted bonds.
- **Firearm Silencer Deregulation:** Eliminates the \$200 federal excise tax on firearm silencers and removes registration requirements under the National Firearms Act.

The bill's passage followed intense negotiations within the Republican Party, with concessions made to appease both moderate and conservative members. Despite passing in the House, the bill faces an uncertain future in the Senate, where debates over its impact on clean energy, healthcare, and social programs are expected to be contentious.

We will continue to monitor as [The One Big Beautiful Act](#) makes its way through the United States Senate. If you have any questions about this, or any other legislation, please contact the Benesch Government Affairs Team.

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