

## **SUMMARY: THE INFLATION REDUCTION ACT OF 2022**

The *Inflation Reduction Act of 2022* will make a historic down payment on deficit reduction to fight inflation, invest in domestic energy production and manufacturing, and reduce carbon emissions by roughly 40 percent by 2030. The bill will also finally allow Medicare to negotiate for prescription drug prices and extend the expanded Affordable Care Act program for three years, through 2025.

The new proposal for the FY2022 Budget Reconciliation bill will invest approximately \$300 billion in Deficit Reduction and \$369 billion in Energy Security and Climate Change programs over the next ten years.

Additionally, the agreement calls for comprehensive Permitting reform legislation to be passed before the end of the fiscal year. Permitting reform is essential to unlocking domestic energy and transmission projects, which will lower costs for consumers and help us meet our long-term emissions goals.

### **TOPLINE ESTIMATES:**

<b>TOTAL REVENUE RAISED</b>	<b>\$739 billion</b>
<i>15% Corporate Minimum Tax</i>	<i>313 billion*</i>
<i>Prescription Drug Pricing Reform</i>	<i>288 billion**</i>
<i>IRS Tax Enforcement</i>	<i>124 billion**</i>
<i>Carried Interest Loophole</i>	<i>14 billion*</i>
<b>TOTAL INVESTMENTS</b>	<b>\$433 billion</b>
<i>Energy Security and Climate Change</i>	<i>369 billion***</i>
<i>Affordable Care Act Extension</i>	<i>64 billion**</i>
<b>TOTAL DEFICIT REDUCTION</b>	<b>\$300+ billion</b>

\* = Joint Committee on Taxation estimate

\*\* = Congressional Budget Office estimate

### **The Inflation Reduction Act:**

- Enacts historic deficit reduction to fight inflation
- Lowers energy costs, increases cleaner production, and reduces carbon emissions by roughly 40 percent by 2030
- Allows Medicare to negotiate drug prices and caps out-of-pocket costs to \$2,000
- Lowers ACA health care premiums for millions of Americans
- Make biggest corporations and ultra-wealthy pay their fair share
- There are no new taxes on families making \$400,000 or less and no new taxes on small businesses – we are closing tax loopholes and enforcing the tax code.