

LEGISLATIVE OUTLOOK FOR COLLEGES AND UNIVERSITIES 2016

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June 6, 2016

2015 -- Year in Review

- PATH Act (\$622 billion)
 - Permanent extenders (R&D, AFE, 15-year depreciation, etc.)
 - 5-year extenders (CFC look-thru; NMTC, bonus depreciation (phased down), etc.)
 - 2-year extenders (30 left to expire at end of 2016)
 - Agricultural Research Organizations
 - ACA delays (Cadillac tax, medical device tax, HI excise tax)
 - Improved baseline for tax reform?
- Highway bill (\$305 billion)
 - Reduction in Fed dividends
 - Fed Reserve surplus account transfer
- 2015 tax reform developments
 - Obama FY 2016 budget proposal
 - More detail on international reform – common ground with HR1
 - Leads to Ryan-Obama discussions on business tax reform
 - SFC Working groups
 - Portman-Schumer framework for international reform
 - Ryan-Schumer discussions in connection with highway bill
 - W&M staff keep Camp draft on exempts alive

Remaining key dates for 2016

- June – House Republican task force's blueprint for comprehensive tax reform; Chairman Hatch intends to release corporate integration proposal
- July 15 – Federal Aviation Administration (FAA) authorization expires
 - Senate passed authorization through FY 2017 by 95-3 vote last week.
- July 15 – House and Senate adjourn through September 6
- July 18-21 – Republican National Convention
- July 25-28 – Democrat National Convention
- September 30 – End of Fiscal Year; House adjourns for election
- October 7 – Senate adjourns for election
- November 8 – Election Day
- November-December – New leadership elections; Lame duck
- December 16 – Targeted adjournment *sine die*
- December 31– Thirty extenders expire.

Key Remaining Items to Follow

- Key for taxes is FAA extension date
- Member miscellaneous bills
- Extenders (alt. energy, mort. insur., tuition ded., and empowerment Zs)
- Appropriations
- Is there a lame duck session?

House Tax Reform Task Force

- Speaker Ryan set up six task forces with a mission “to be bold, to do what is necessary to get America back on track.”
- Principles for tax reform task force: boosting jobs, expanding the economy and raising wages by reducing rates, removing special interest carve-outs and making the tax code simpler and fairer.
- White paper release around June
- **“How we run in 2016, how we lay this foundation is critical to how we finish this effort [in 2017].”**



Senate Finance Committee



- Hearings on business and international tax reform
- Hatch: corporate integration – dividends paid deduction
- Wyden discussion drafts
 - Depreciation pooling
 - Financial products
 - International/inversions?

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[2016 Tax Law and Legislative Developments for Colleges and Universities](#)

First appeared as part of the conference materials for the
4th Annual Higher Education Taxation Institute session
"Legislative Challenges Facing Colleges and Universities"