



Next Steps for State Legislatures: IIJA & IRA

January 23, 2023



Suggestions for Legislators

Review Guidance

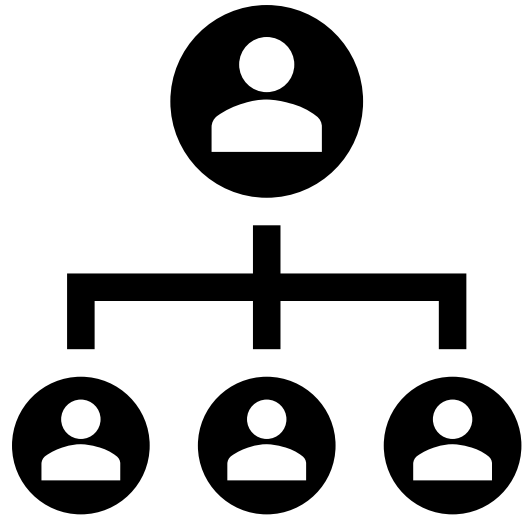
Develop Legislative Priorities

Legislative Approval and Matching Funds

Congressional Delegation

NCSL Resources

Suggestions for Engagement & Collaboration



Infrastructure Coordinator

Elevate the role of your Infrastructure Coordinator



Interagency Collaboration

Ensure your agencies, and the legislature, is working together – example is Michigan’s Infrastructure Council



Interstate Collaboration

Consider collaborating across state lines on infrastructure projects and regional priorities

IIJA & IRA Implementation Resources

Infrastructure Investment & Jobs Act

- White House

- State Fact Sheets

- U.S. Dept. Of Transportation

- U.S. Environmental Protection Agency

- U.S. Department of Energy

- **NCSL Resources**

- IIJA Implementation & Key Resources
- Explainer for States

Inflation Reduction Act

- White House

- IRA Guidebook, Dec 2022

- DOE | EPA | USDA

- **NCSL Resources**

- Explainer for States



Inflation Reduction Act of 2022 Provisions

Summary Prepared by NCSL Staff

Budget and Revenue Provisions:

Increased Support for IRS

The Inflation Reduction Act of 2022 (IRA) seeks to address the tax gap—the difference between what is owed to the federal government and what is collected—by providing \$80 billion in additional Internal Revenue Service (IRS) funding across 10 years. The increased funds provide a [69% increase in enforcement activities](#), a [153% increase in modernization of IRS business systems](#), a [53% increase in operation support](#), and a [9% increase in taxpayer services](#). The Congressional Budget Office estimates the support would raise \$204 billion in additional revenue for a net increase of \$124 billion for the government.

Tax Provisions

- The legislation uses tax penalties and credit provisions to encourage energy and environment, corporate stock buyback, and companies into drug pricing negotiations.

Taxes on Corporate Entities

- Imposes a 15% corporate alternative minimum tax on the adjusted taxable income of corporations with a book tax pay ratio greater than 1.0, which closes a perceived loophole where there were companies reported on certain financial statements versus what they reported on tax returns for tax years beginning after Dec. 31, 2022.
- Contains a new tax on corporate stock buyback as a tax-free alternative to dividend payments. Firms seeking to repurchase the value in the process, will be penalized with

Infrastructure Investment and Jobs Act: Implementation and Key Resources

2/1/2022



President Joe Biden signed the bipartisan \$1.2 trillion Infrastructure Investment and Jobs Act into law on Nov. 15, 2021. Find a [detailed summary](#) of the major provisions impacting states. You can also [watch an NCSL staff briefing for legislators and legislative staff](#) providing a deep dive on the bill or [access the slide presentation](#).

On Jan. 31, 2022, the White House released A Guidebook to the Bipartisan Infrastructure Law for State, Local, Tribal, and Territorial Governments, and Other Parties.

QUESTIONS?

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