Capital Markets Strategy

Essential inCights for the C-Suite

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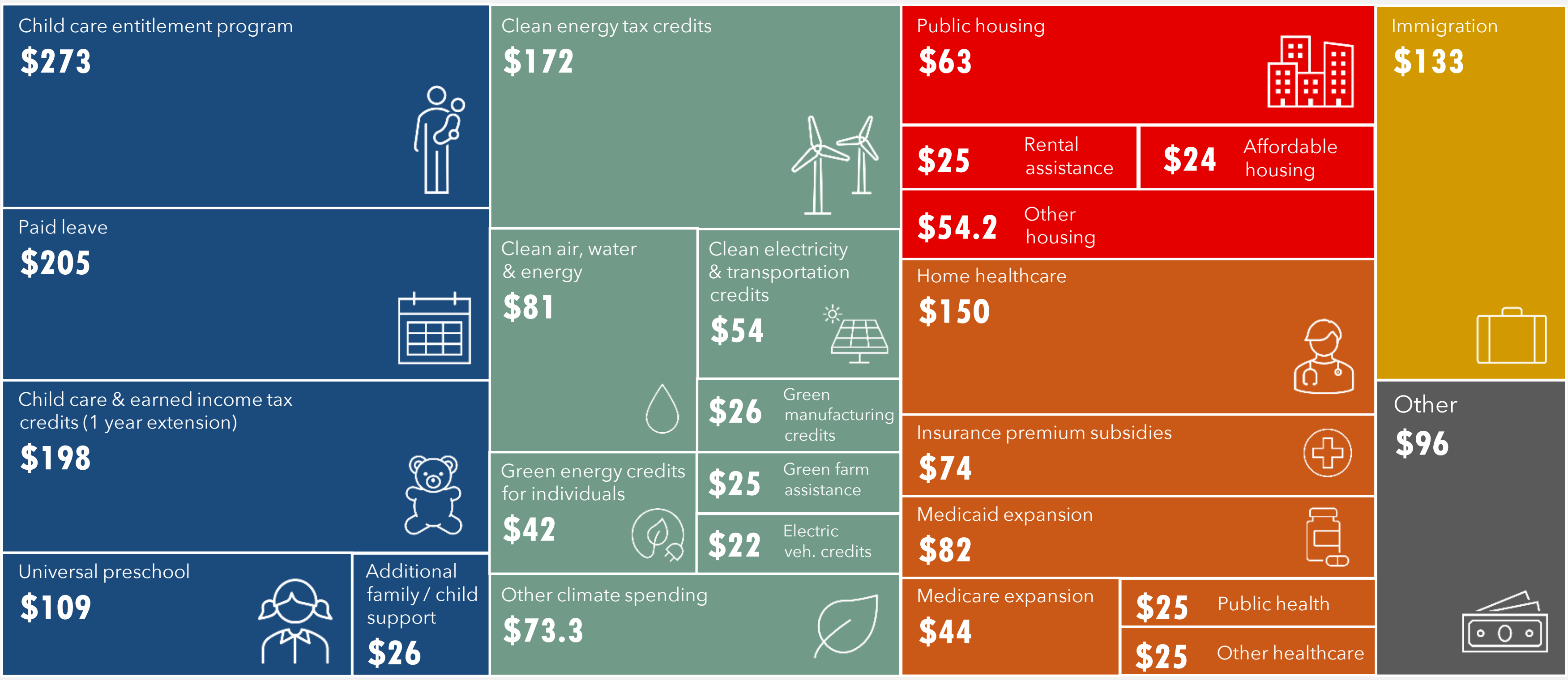
Chart of the Day

Last week, President Biden signed into law the $1.2 trillion bipartisan “hard” infrastructure bill (the Infrastructure Investment and Jobs Act, or IIJA). Then, on Friday, the US House of Representatives passed a “soft” infrastructure bill known as the Build Back Better (BBB) Act that includes roughly $1.6 trillion of new spending (close to $2 trillion including tax incentives). The bill, passed largely along partisan lines in a vote of 220-213, will be sent to the Senate, where significant changes are expected.

As currently constructed and scored by the Congressional Budget Office, the bill includes $1.3 trillion of tax revenue raisers including: a 15% corporate minimum tax, an increase in the overseas GILTI rate (15.8% effective rate), a stock buyback excise tax (1%), and modest limits on debt interest deductions.

Breakdown of spending in the $1.6 trillion Build Back Better Act



Source: Congressional Budget Office “Summary of Cost Estimate for H.R. 5376, the Build Back Better Act”. New York Times “Everything in the House Democrats’ Budget Bill”.

Global Corporate & Investment Banking Capital Markets Strategy Team

Tom Joyce
Managing Director

Tom.Joyce@mufgsecurities.com
(212) 405-7472

Hailey Orr
Director

Hailey.Orr@mufgsecurities.com
(212) 405-7429

Stephanie Kendal
Associate

Stephanie.Kendal@mufgsecurities.com
(212) 405-7443