

[Federal Tax Day - Current, C.1, Economic Stimulus Package Stalls in Senate; Updated Draft Expected Any Day, \(Mar. 25, 2020\)](#)

Federal Tax Day - Current

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Lawmakers and the Trump administration continue to negotiate a nearly \$2 trillion and climbing bipartisan economic stimulus package, which remains stalled in the Senate. Legislative text of the reworked bipartisan economic relief package is expected to surface as early as March 24. At press time, however, the package had not been released.

Negotiations Continue

"I know you have heard this before, but everyone is trying to close this out today," Treasury Secretary Steven Mnuchin said to reporters at the U.S. Capitol on March 24. "We are going back and forth on text."

The Senate's Coronavirus Aid, Relief, and Economic Security (CARES) Act was unveiled by Senate Majority Leader Mitch McConnell, R-Ky., last week, but has since changed several times as bipartisan discussions continue. The "phase three" package has failed two procedural votes in the Senate needed to reach the floor for debate. In what has quickly become an unusually heated partisan floor debate among lawmakers, Senate Democrats have continued to block the measure while Democratic lawmakers in both the Senate and the House remain unsatisfied with the package.

Generally, Democrats are insisting on more money for hospitals and the medical community as well as stricter oversight on money provided to various industries. The CARES Act, as currently written, would offer some of the following economic relief:

- Billions of tax rebates,
- direct stimulus checks to individuals,
- federally-guaranteed loans for small business,
- deferred payroll tax deposits for businesses, and
- several technical corrections to the Tax Cuts and Jobs Act (TCJA) ([P.L. 115-97](#)).

Additionally, as Senate leadership and Mnuchin continue to hammer out the details, several trade associations, such as those for the retirement, airline, and distilled spirits industries, are asking for targeted tax relief in the updated package.

Meanwhile, House Speaker Nancy Pelosi, D-Calif., has released her own 1,400-page phase three economic package, after reportedly agreeing to support the Senate's measure after the upper chamber quickly passed the House's economic relief package (phases one and two). Several Republican lawmakers are criticizing the turn of events, which have resulted in a significant delay, as well as the substance of the House's new package for containing provisions allegedly unrelated to the pandemic, such as funding for The John F. Kennedy Center for the Performing Arts.

Light at the End of the Tunnel

Although tempers have flared to notably high levels on the Senate floor as lawmakers debate the package, there did seem to be a light at the end of the tunnel on the evening of March 24. Both Democratic and Republican leadership in the Senate and House began to express optimism for the forthcoming package. "We are continuing to make progress," Senate Minority Leader Chuck Schumer, D-N.Y., said.

Indeed, McConnell continues to urge lawmakers to come together on a bipartisan basis to get the historically large economic relief package to the president's desk. Although the House has been in recess, senators and their staff have been working around the clock to draft the bipartisan legislation.

"Small businesses, working families, and medical responders across our country need help now. That's why the Senate is working non-stop on a bipartisan agreement on bold, urgent relief," McConnell said in a March 24 tweet.

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