



## POLITICS

# Biden open to 25% corporate tax rate as part of an infrastructure bill compromise

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## KEY POINTS

President Joe Biden says he wants to see a corporate tax rate “between 25 and 28” percent.

The 25% rate was the most concrete outline Biden has offered so far as a potential compromise he would make to fund his major infrastructure bill.

The 25% rate has already been endorsed by West Virginia’s Democratic Sen. Joe Manchin, whose vote Democrats will need if the infrastructure bill is to have any chance of becoming law.



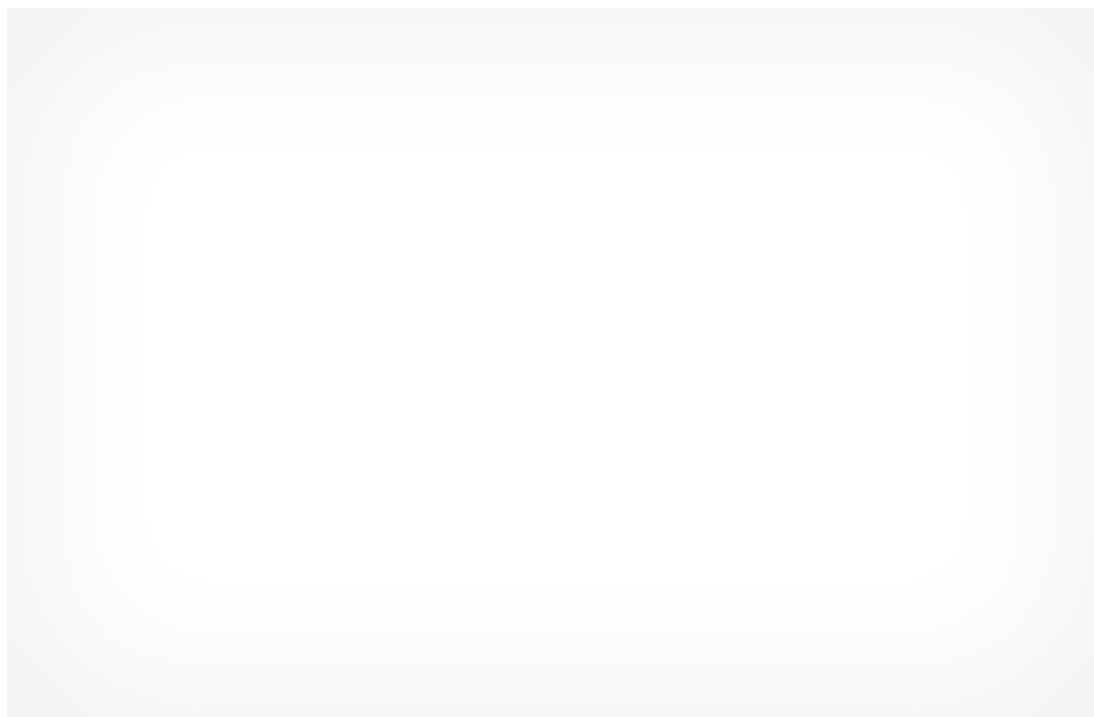


WASHINGTON — President Joe Biden on Thursday said he wants to see a corporate tax rate “between 25 and 28” percent, setting down a new marker in the ongoing negotiations over how to fund a major infrastructure bill.

“The way I can pay for this is making sure that the largest companies don’t pay zero, and reducing the [2017 corporate] tax cut to between 25[%] and 28[%],” Biden said at an event in Louisiana. “That’s a couple hundred billion dollars, and we can pay for these things.”

The remarks were the first time Biden had explicitly acknowledged that his initial proposal of raising the corporate tax rate to 28%, up from the current rate of 21%, was shifting amid negotiations on the massive infrastructure bill.

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Dubbed the American Jobs Plan, Biden’s signature domestic policy bill would invest \$2 trillion into rebuilding vast parts of the U.S. infrastructure, from roads and bridges to expanded broadband.



the corporate tax rate that was slashed as part of the Trump administration's 2017 Tax Cuts and Jobs Act.

**President Joe Biden bumps fist with a man before delivering remarks on his American Jobs Plan near the Calcasieu River Bridge in Lake Charles, Louisiana, U.S., May 6, 2021.**

*Jonathan Ernst / Reuters*

The 25% rate has already been endorsed by West Virginia's Democratic Sen. Joe Manchin, the one lawmaker who will likely have the most control over the fate of the bill, provided Biden can't coax any of Manchin's Republican colleagues to support it.

So far, Republicans in Congress have said that any changes at all to the 2017 tax cuts bill would amount to a red line for the GOP.

Senate Minority Leader Mitch McConnell this week predicted that Biden would not garner a single Republican vote for the American Jobs Plan, or for its companion bill, the education and family-focused American Families Plan.

A White House spokeswoman said earlier Thursday that negotiations are continuing



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Republicans have released the outlines of a counteroffer, proposing a narrow infrastructure bill that's a quarter the size of the Biden plan. It has yet to receive serious consideration.

Speaking against the backdrop of the aging Calcasieu River Bridge in Lake Charles on Thursday, Biden also signaled that he intends to press Republicans into the difficult political position of having to publicly choose protecting their 2017 corporate tax cuts over creating thousands of blue-collar jobs.

"This is all about making a choice, a choice between giving tax breaks to the super wealthy and to corporations, and investing in working families," he said.

Despite the partisan jabs, Biden insisted that he is still open to negotiating a bipartisan agreement with Republicans, before attempting to pass the infrastructure bill on a pure party-line vote.

"I'm ready to compromise. What I'm not ready to do, I'm not ready to do nothing," said Biden. "I'm not ready to have another period where America has another 'infrastructure month' and doesn't change a damn thing."

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