

The bipartisan agreement announced tonight to amend the American Recovery and Reinvestment Act of 2009 will update a number of Finance Committee provisions in the underlying bill (S. Amdt 98 to H.R. 1). The updates and estimated savings are outlined below. New revenue and spending tables including these provisions will be available in the coming days.

Spending Provisions

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COBRA Subsidy. The agreement provides a 50 percent subsidy for 12 months for the purchase of health insurance under COBRA. *Saves \$5 billion.*

Health Information Technology (IT) Rural Critical Access Hospital Provision. The agreement caps the amount of funds that a critical access hospital can receive under the health IT provisions at \$1.5 million per hospital. *Saves \$2 billion.*

Tax Provisions

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Accelerated Low-Income Housing Tax Credits. In place of extended general business carry-back provisions, low-income housing tax credits will be accelerated to permit investors to claim 20 percent of the allowable credits in each of the first three years, and the remaining 40 percent over the next six years. *Saves \$9 billion.*

Recovery Zone Bonds. The bill authorizes \$10 billion in private activity bonds and \$5 billion in refundable credit bonds for distressed economic areas. *Saves \$2 billion.*

Build America Bonds. The agreement provides a 35 percent tax credit for Build America Bonds for 2009 and 2010, with a 40 percent tax credit for small issuers (less than \$30 million per year) in 2009 and 2010. *Saves \$2 billion.*

Phase-Out of Make Work Pay Credit. The agreement begins to phase out the Make Work Pay credit at \$70,000 in annual income for singles and at \$140,000 in annual income for couples. *Saves \$2 billion.*

Refundable Child Credit. The agreement authorizes the phase-in of the refundable child credit for taxpayers with wages above \$8,100. *Saves \$3 billion.*