Early Action on the America First Agenda in Congress

President Trump took fast action since the start of his second term to replace Biden-era policies with key features of his America First Agenda. Under hundreds of presidential and agency actions, the Trump Administration has secured the border, unleashed domestic energy production, spurred economic growth, and is reaffirming America's leadership in defense and diplomacy with peace through strength. Complementing the President's efforts, the 119th Congress has passed legislative packages that codify touchstones of the President's America First Agenda. These actions deliver to families across America wins the America First Policy Institute outlined in early 2025 as to what to expect in the 119th Congress[1].

Chief among recent enactments were the Working Family Tax Cuts[2] (WFTC—formerly known as One Big Beautiful Bill Act) and Rescissions Acts[3] (Rescissions). WFTC's codification of core Trump-era tax reforms shielded working families from steep tax increases to the tune of nearly $2 trillion, strengthened the competitive footing of American businesses, American workers, and advanced policies that encourage domestic energy production. Paired with the substantial spending reductions achieved through two Rescissions Acts, these measures curtail bureaucratic excess, and redirect federal priorities toward growth-enhancing sectors, and reinforced efforts to eliminate waste, fraud, and abuse across major entitlement related programs. WFTC also delivered an unprecedented investment in border security and imposed eligibility safeguards that ensure federal benefits flow only to those lawfully entitled to receive them. The National Defense Authorization Act of 2026 that passed in December is equally critical, as it provides the structural, statutory, and budgetary backbone needed to rebuild the armed forces, restore deterrence, and secure America's strategic advantages.

Additional steps remain essential to fully advance President Trump's America First mandate. Permanently banning federal support for transgender policies and safeguarding children from genital mutilation, chemical interventions, and other gender-affirming procedures remains an urgent America First priority, requiring Congress to close every remaining loophole across various federal health, education, and welfare programs. Empowering the President to execute his America First trade agenda stands as another indispensable task, ensuring the Administration can confront hostile foreign competitors like the CCP, reclaim industrial capacity, and deliver the trade architecture necessary for our nation to trade fairly with other free markets throughout the world is essential to long-term prosperity and realizing the America First mission.

JOBS AND ECONOMIC GROWTH, SAFETY AND SECURITY, ACCOUNABILITY: AN OVERVIEW OF AMERICA FIRST POLICIES ENACTED INTO LAW

The Working Families Tax Cut's codification of the Tax Cuts and Jobs Act[4] (TCJA or Trump Tax Cuts) prevented the largest tax hike in history while furnishing working- and middle-class families with historic relief. TJCA provisions also lifted burdensome liability on American businesses, promoting job growth and the onshoring of new businesses and job creation. WFTC's codification of core Trump-era tax reforms shielded working families from steep tax increases, strengthened the competitive footing of American businesses, and advanced policies that encourage domestic production of energy. Paired with the substantial spending reductions achieved through Rescissions Acts, these measures curtailed

[1] See Government Affairs. (2025, April 28). Analysis: Early America First Wins to Expect in Congress
[2] Pub. L. No. 119-21, 139 Stat. 72 (2025).
[3] Pub. L No. 119-28, 139 Stat. 467 (2025).
[4] Pub. L. No. 115-97, 131 Stat. 2054 (2017).

bureaucratic excess, redirected federal priorities toward growth-enhancing sectors, and reinforced efforts to eliminate waste, fraud, and abuse across major entitlement related programs. WFTC also delivered an unprecedented investment in border security and imposed eligibility safeguards that ensure federal benefits flow only to those lawfully entitled to receive them.

Taken together with the several billions in cuts under the Rescissions Act, the Working Families Tax Cuts reduced bureaucratic bloat and reversed inflationary spending sprees established under the Biden Administration's radical climate agenda. The Working Families Tax Cuts terminated or is phasing out many of the Green New Deal subsidies under the Inflation Reduction Act[5] (IRA), replacing them with incentives that enhance domestic production of oil and natural gas and drive down consumption costs. Consistent with the President's efforts to eliminate waste, fraud, and abuse, the Working Families Tax Cuts also introduced commonsense entitlement reform, particularly in food assistance and healthcare programs, saving taxpayers untold billions while ensuring the viability of these critical safety nets.

The Working Families Tax Cuts represents the single largest commitment to border security, authorizing north of $170 billion for, among other things, physical barriers, agent hiring, drone technology, and operations. And bolstering the President's success in carrying out the largest deportation of illegal immigrants in history, the Working Families Tax Cuts restricted eligibility for entitlements, preventing criminal illegal aliens from receiving federal benefits, strengthening this program for the most vulnerable of our population who needs them most.

1) SUPERCHARGING THE ECONOMY WITH JOB-CREATING, PRO-GROWTH, AND FAMILY-CENTERED TAX REFORMS TO KEEP MORE MONEY IN THE POCKETS OF EVERY AMERICAN

- **Permanence of the Trump Tax Cuts:** § 70101 avoided reversion to pre-2017 liability levels by making the 2018-passed Tax Cuts and Jobs Act modifications to the federal income bracket schedule permanent—10%, 12%, 22%, 24%, 32%, 35%, and 37% rates with annual inflation adjustments. Consonantly, § 70102 increased the standard deduction to $16,000 for single filers, $24,000 for heads of households, and $32,000 for married filers. § 70103 marked a significant win for working- and middle-class families, making permanent the Child Tax Credit (CTC) and increasing it to $2,200 per child. *Preventing double taxation on family-owned farms,* § 70106 furnished rural families and property owners with additional relief by expanding TCJA's estate and gift tax exemptions.

- **Family-first Tax Reforms:** In addition to making the TCJA's tax relief permanent, Working Families Tax Cuts advanced President Trump's family-first economic agenda by establishing new, lasting incentives that prioritize parents, caregivers, and children. Under § 70401, the Working Families Tax Cuts *expanded the employer-provided childcare credit* to $500,000 annually and increased the share of qualified expenses covered to 40%, while granting small businesses a $600,000 limit and allowing them to pool resources and use intermediaries to offer childcare services. This reform encourages private employers to invest in their workforce and reduced the financial strain on working parents.

  § 70402 made the *adoption tax credit* partially refundable up to $5,000, ensuring that families seeking to adopt—particularly those with limited income—receive meaningful support. § 70403

[5] Pub. L. No. 117-169, 136 Stat. 1818 (2022).

recognized Indian tribal governments as having the same authority as states to determine special needs eligibility for adoption credits, expanding relief to adoptive families in tribal communities.

§ 70404 increased the exclusion for dependent care assistance programs to $7,500, helping working parents retain more of their income while managing the costs of care. § 70405 raised the maximum rate for the *child and dependent care tax credit* from 35% to 50% and extended eligibility to households earning up to $105,000, ensuring that middle-class families benefit from enhanced support. Relatedly, § 70203 adopted the "Made in America" tax regime on automobile financing, *eliminating tax liability on car loan interest* for new cars, making the American dream more affordable.

- **No Tax on Tips, Overtime Pay, and Social Security:** The Working Families Tax Cuts provisions for taxes are also consistent with the President's commitment to protect tips, overtime compensation, and Social Security from onerous liability aligning with the America First agenda. Under § 70201, taxpayers earning less than $150,000 and working in fields that compensate through tips may deduct up to $25,000 annually in voluntarily paid, non-negotiated tips between 2025 and 2028. Similarly, § 70202 established a deduction of up to $12,500 annually for overtime pay earned by employees making less than $150,000, as defined under the Fair Labor Standards Act, applicable from 2025 to 2028 and limited to income taxes for filers with a work-eligible Social Security Number, including those who do not itemize. Codifying the President's pledge to protect social security benefits, § 70103 repeals personal exemptions but creates a new $6,000 deduction for taxpayers aged 65 or older with annual income under $75,000 ($150,000 for joint filers), furnishing seniors with targeted tax from 2025 to 2028 without altering the Social Security framework.

- **Establishment of Trump Accounts:** Moreover, § 70204 established "Trump Accounts," Treasury-administered savings accounts for U.S. citizens under the age of 8 years old designed to promote education, entrepreneurship, and homeownership. Each account receives an initial $1,000 federal deposit and permits up to $5,000 in annual after-tax contributions from individuals or entities, with funds invested in diversified equity indexes. Account holders may begin withdrawing funds at age 18 for qualified purposes such as higher education, job training, small-business loans, or first-time home purchases, thereby advancing the President's broader goal of fostering financial security from an early age.

- **Economic Growth and Job-Driving Reforms**: The corporate and international tax provisions in the Working Families Tax Cuts bill established a durable framework to bolster competitiveness, drive domestic investment, and provide long-term certainty for American businesses. § 70301 made *full expensing* for qualified property permanent, allowing businesses to immediately retroactively deduct 100% of the cost of *new equipment and machinery* placed in service after January 19, 2025. § 70302 extended this principle to *research and experimentation* "R&E" expenditures, permitting the immediate deduction of domestic R&E costs beginning January 1, 2025, while retaining a 15-year amortization schedule for foreign R&E. Together, these provisions strengthen cash flow and incentivize reinvestment in innovation, productivity, and job creation.

  § 70303 revised the *limitation on business interest deductions* by recalculating adjusted taxable income without subtracting depreciation, amortization, or depletion, effectively aligning it with EBITDA and allowing businesses to deduct a greater share of interest expenses. § 70304 *permanently extended and expanded the paid family and medical leave credit*, enabling more employers to provide paid leave while maintaining workforce participation. § 70305 authorized deductions for business meals provided on certain fishing vessels and processing facilities as a de minimis fringe benefit, recognizing the operational realities of the fishing industry.

§ 70306 *increased the maximum expensing limit* for depreciable business assets to $2.5 million, indexed for inflation, ensuring small and mid-sized firms could recover costs immediately and reinvest earnings. § 70307 allowed immediate expensing for qualified production property, encouraging domestic manufacturing and the onshoring of industrial activity, while § 70308 *increased the advanced manufacturing investment tax credit* to 35% to promote capital formation in high-tech sectors. § 70309 extended tax-exempt bond treatment to spaceports, treating them as airports for financing purposes and supporting the development of commercial space infrastructure.

Subtitle B's reforms to international taxation further promoted American competitiveness by *limiting the allocation of foreign deductions* to U.S. income under § 70311, *increasing the foreign tax credit* for GILTI under § 70312, and *updating sourcing rules for export sales* under § 70313 to classify a portion of such income as foreign source. §§ 70321–70323 modernized the foreign-derived deduction framework by establishing permanent, simplified rates for foreign-derived deduction eligible income and Net CFC Tested Income, incentivizing U.S. corporations to retain intellectual property and production domestically. § 70331 strengthened the base-erosion minimum tax by setting a 14% rate and lowering the applicability threshold, deterring profit shifting while maintaining fair competition.

Finally, §§ 70341–70354 refined business interest and international ownership rules to ensure coherence and transparency. The Working Families Tax Cuts coordinated business-interest limitations, redefined adjusted taxable income, made the CFC look-through rule permanent, restored limits on attribution of foreign stock ownership, and updated pro rata share calculations to ensure accurate reporting of income from controlled foreign corporations. Collectively, these reforms consolidated the TCJA's foundation, advanced domestic industry, and created a stable, pro-growth tax environment for U.S. employers and investors.

- **Renewal and Enhancement of Opportunity Zones and Investment in Underserved Communities:** The Working Families Tax Cuts expanded federal incentives for private investment in underserved and low-income communities through a series of permanent, market-driven provisions. § 70421 created a permanent Opportunity Zone policy establishing rolling ten-year designations beginning January 1, 2027. It narrowed the definition of qualifying low-income communities to census tracts with a poverty rate of at least 20% or a median family income not exceeding 70% of the area median income, ensuring investments targeted the communities most in need. The provision also established Rural Qualified Opportunity Funds to attract capital to rural areas, granting a 30% step-up in basis for investments held over five years and lowering the substantial improvement threshold for existing properties from 100% to 50%.

  Working Families Tax Cuts provisions also expanded the reach of *affordable housing projects* while incentivizing private-sector participation in community development. For instance, § 70422 permanently enhanced the Low-Income Housing Tax Credit by increasing the 9% credit to 12%, lowering the bond-financing threshold for 4% credits to 25%, and designating Indian and rural areas as Difficult Development Areas.

- **A Revised Tax Code for Rural America and Small Businesses:** The Working Families Tax Cuts advanced President Trump's vision for a revitalized Main Street economy by strengthening investment, reducing red tape, and empowering rural communities and small businesses to thrive. Subchapter D reinforced the principle that prosperity begins with American entrepreneurs, family-owned businesses, and rural industries—not federal control.

Through § 70431, the Working Families Tax Cuts expanded the qualified small business stock gain exclusion to reward long-term investment, providing a 50% exclusion after three years, 75% after four years, and 100% after five years, while raising the per-issuer cap to $15 million. This encouraged sustained capital formation and entrepreneurship across local economies.

§ 70432 repealed the American Rescue Plan's expanded 1099-K reporting mandate, restoring privacy and *eliminating IRS overreach* on third-party payment apps like Venmo or PayPal unless a user exceeds $20,000 and 200 annual transactions. Similarly, § 70433 raised the general 1099 reporting threshold from $600 to $2,000, indexed for inflation, reducing compliance burdens on small businesses and independent workers. Together, these provisions protected taxpayers from unnecessary surveillance and reaffirmed President Trump's pledge to defend financial privacy.

§ 70434 expanded immediate expensing to include qualified sound recording productions, supporting creative professionals and American cultural industries. § 70435 established a new incentive that allows qualified lenders to exclude 25% of interest income on loans secured by rural or agricultural real estate, strengthening access to capital for family farms, fisheries, and small rural enterprises while ensuring foreign entities of concern cannot benefit.

§ 70436 removed transfer and manufacturing taxes on certain firearms devices, restoring Second Amendment rights and eliminating excessive fees and duplicative regulations. § 70437 allows farmers selling qualified farmland to pay capital gains tax over four years when transferring property to another qualified farmer, ensuring farmland remains in agricultural use and protecting generational family operations.

§ 70438 extended tax relief for disaster-related casualty losses, allowing families and small businesses to claim recovery costs without itemizing, while § 70439 restored the taxable REIT subsidiary asset test to 25%, providing flexibility and investment opportunities in real estate markets.

- **Invest in American Workers**: Further, § 83002 expands Pell Grant eligibility to short-term, high-quality workforce programs by authorizing prorated awards for programs between 150 and 599 hours and requiring state and federal verification that such programs align with in-demand industries and lead to recognized workforce credentials. These reforms ensure that students have pathways to successful careers beyond four-year liberal arts degrees. AFPI researchers identified that the Biden Administration's regulatory agenda added nearly 280 million hours of paperwork and $447 billion in costs to American businesses. This equates to $2,847 in regulatory costs per American worker. Investing in American workers means improved workforce training at all levels, including higher education.

  § 70415 imposes an excise tax on elite private university endowment profits ranging from 1.4 percent to 8 percent, reigning in historically high tuition levels. § 81001 went further to eliminate the Graduate and Professional PLUS loan program and added caps to other loan programs like the Parent PLUS program. The student loan program has grown to an unsustainable $1.7 trillion in outstanding student loan debt. Streamlining this system by reducing its size and scope will incentivize lower tuition costs and focus on providing value and job training for students instead of unnecessary bureaucracy or radical political ideology. These reforms safeguarding taxpayers from loans that are often never repaid and incentivize lower tuition costs.

§ 84001 for the first time ever adds accountability on higher education institutions to ensure strong earning outcomes for students. Institutions must certify that degree programs align with median earnings. These reforms require institutions to notify students of earnings of working adults in the same field of study.

2) END TO BIDEN-ERA CARVEOUTS FOR THE WEALTHIEST ONE PERCENT

- **Targeting High-Income Preferences in the Individual Code**: Separate and apart from the broad, across-the-board rate and family provisions described above, WFTC narrowed a series of deductions and structural preferences that had flowed disproportionately to the very top of the income distribution. Under § 70108, the bill retains the $750,000 cap on the home-mortgage interest deduction rather than restoring the prior $1 million ceiling, preventing large mortgages on high-value properties from regaining an expanded federal subsidy. §§ 70109 and 70110 similarly constrain upscale tax planning by limiting personal casualty loss deductions to losses arising from federally declared disasters and permanently eliminating most miscellaneous itemized deductions—such as investment-related advisory and fee write-offs—while preserving only the narrow above-the-line educator deduction.

  § 70111 ensured that high-income filers did not obtain a greater percentage benefit from itemizing than middle-income households by limiting the tax value of itemized deductions for taxpayers in the top bracket. Rather than repealing deductions, this section capped the rate at which they could reduce liability for the highest earners, preventing the top one percent from leveraging the same deductions more aggressively than everyone else. Complementing this approach, § 70114 limited the deduction for gambling losses to 90% of gambling winnings, curbing the use of high-stakes gambling as a means of offsetting other income while preserving the ability of ordinary taxpayers to match winnings with documented losses.

- **Reforming SALT and Other High-End Structural Preferences**: WFTC also restructured provisions that had operated as open-ended subsidies for affluent taxpayers in high-tax jurisdictions. § 70120 revised the state and local tax (SALT) deduction so that relief remained available without restoring the uncapped preference that had overwhelmingly accrued to the top one percent. It raised the SALT cap to $40,000 but phased this relief out for taxpayers with modified adjusted gross income above $500,000 between 2025 and 2029, preventing the largest SALT benefits from flowing to the highest-income households.

  Beyond SALT and itemized deductions, WFTC tightened several high-income and executive-level compensation carveouts. § 70603 strengthened the long-standing § 162(m) limitation on deductible executive pay by clarifying that the $1 million cap applies on a controlled-group basis and extends to compensation routed through related entities, preventing large public companies from sidestepping the limit through affiliates or complex pay structures. In the tax-exempt sector, §§ 70415 and 70416 adjusted oversight of elite, tax-favored institutions: § 70415 refined the excise-tax framework on the net investment income of very large private college and university endowments, and § 70416 expanded the 21% excise tax on excess compensation at certain tax-exempt organizations so that multi-million-dollar pay packages at large hospitals, health systems, and universities faced clear federal guardrails regardless of job title.

- **Ending direct transfers and safety-net distortions for high-income households**: The bill also addressed policies under which high-income households had been able to access programs nominally structured as safety nets. Under § 73001, unemployment compensation was denied to individuals whose prior-year adjusted gross income exceeded a specified threshold, ending the practice of providing unemployment benefits to very high-income recipients. Rather than altering core protections for displaced workers, this section drew a bright line that excludes the wealthiest filers from drawing on unemployment insurance while retaining substantial assets and income.

3) SHRINK GOVERNMENT THROUGH DEREGULATION AND REVERSING THE BIDEN ADMINISTRATION'S RUNAWAY SPENDING SPREE

- **Ending Inflation:** The Working Families Tax Cuts and Rescission Acts represent one of the largest commitments to fiscal responsibility, eliminating hundreds of billions in wasteful, inflationary spending and reversing the unchecked expansion of federal subsidies established under President Biden. A cornerstone of this effort was rescission of the reckless Green New Deal subsidies and big green corporate welfare, terminating nearly every IRA climate initiative as part of the Working Families Tax Cuts. The total amount of savings to taxpayers is nearly $2 trillion.

  The Working Families Tax Cuts rescinded countless handouts to far-Left interests in the climate and energy spaces. §§ 70501–70509 terminated or accelerated the expiration of nearly every major energy credit, including those for electric vehicles, refueling infrastructure, and home efficiency upgrades—programs that would otherwise have remained in place for the next decade. By bringing these programs to an early end between 2025 and 2026, the Woking Families Tax Cuts bill prevented billions in new outlays.

  § 70510 restricted nuclear production credits to exclude foreign-influenced entities, while §§ 70511–70513 curtailed the clean hydrogen, wind, and solar tax credits that had ballooned under the IRA. § 70514 initiated the phaseout of the advanced manufacturing production credit, gradually ending government support for subsidized green technology, and § 70515 prohibited the Department of the Treasury from recycling unspent program funds into new rounds of subsidies.

  Beyond the rollback of Green New Deal subsidies, the Working Families Tax Cuts contained sweeping structural reforms aimed at reducing federal spending, limiting bureaucratic sprawl, and restoring fiscal discipline across key agencies and programs. These provisions collectively embodied President Trump's directive to "drain the swamp" by shrinking the administrative state and ending programs that diverted taxpayer dollars from productive economic use.

  Under Title VII, several chapters curtailed redundant or inefficient tax credits, repealed duplicative federal programs, and prohibited the reallocation of previously authorized funds. Provisions such as §§ 70601–70604 rescinded unspent balances from dozens of Inflation Reduction Act accounts and restricted agencies from repurposing those funds for new grants or pilot programs. These actions cut off avenues through which agencies had historically grown their budgets through off-book spending, forcing them instead to operate within their congressionally appropriated limits.

  The bill also reduced layers of federal bureaucracy in sectors long plagued by administrative duplication. In areas such as housing, workforce development, and rural assistance, the Working Families Tax Cuts consolidated overlapping grant programs and eliminated unused accounts that had accumulated through prior appropriations. For instance, §§ 70701–70703 repealed outdated discretionary authorities under the Department of Energy and the Environmental Protection Agency, returning unspent balances to the Treasury rather than allowing them to be recycled into new climate initiatives. Similarly, §§ 70801–70805 canceled unused appropriations across multiple federal agencies and rescinded funds from accounts with minimal or no measurable outcomes.

§§ 10201 and 10601 rescinded unobligated Inflation Reduction Act (IRA) funds at the Department of Agriculture that had been earmarked for National Environmental Policy Act (NEPA) climate grants, forestry programs, and conservation initiatives, including tree-planting subsidies and urban climate-resilience projects. These rescissions targeted what were viewed as redundant or unproductive environmental expenditures and returned the balances to the Treasury. § 30002 canceled remaining unobligated IRA balances from the Department of Housing and Urban Development's Green and Resilient Retrofit Program, a $1 billion initiative to fund energy-efficiency retrofits in multifamily housing, while approximately $100 million in administrative funds were permanently rescinded. § 30003 eliminated the Securities and Exchange Commission's Reserve Fund, which had operated as a quasi-independent technology account with minimal congressional oversight, rescinding nearly $450 million in unused balances.

§§ 70501-70515 and §§ 70701-70703 required the Department of Energy and the Environmental Protection Agency to rescind multiple unused administrative and grant accounts originally funded by the IRA, including those supporting energy-efficiency programs, alternative fuel infrastructure, environmental justice initiatives, and community climate resilience pilots. These sections also repealed authority for several IRA-funded clean energy loan programs, effectively rolling back unutilized appropriations that had supported industrial green subsidies. At the Departments of Transportation and Commerce, §§ 40001-40004 rescinded penalties and funds tied to Corporate Average Fuel Economy compliance and repealed unspent IRA funds for electric-vehicle infrastructure and rail electrification programs, reducing projected deficits by more than $40 billion. Finally, §§ 70601-70604 rescinded broad categories of unobligated IRA appropriations across multiple Treasury accounts and prohibited those funds from being reissued or transferred for future grant rounds or climate-related tax-credit administration.

- **Further Taxpayer Savings Under Rescissions Acts:** Concomitant with the Working Families Tax Cuts' bureaucratic downsizing and taxpayer savings of $1.5 trillion, the Rescissions Act saved north of $9 billion across dozens of federal accounts that passed in July 2025. It targeted idle or repurposed funds that agencies had historically used to sustain or grow their operations outside of direct appropriations, with the Act ensuring that these resources were permanently canceled and returned to the Treasury rather than recycled into new spending initiatives. The lion's share of reductions came from the Department of State and USAID, where billions were clawed back from foreign aid and international development programs. These included rescissions to the Economic Support Fund ($1.65 billion), Development Assistance ($2.5 billion), and Global Health Programs ($500 million), as well as reductions to contributions for international organizations and peacekeeping operations, totaling more than $360 million.

  Rescissions also defunded several small, independent agencies that had drifted from their statutory missions—among them the Inter-American Foundation ($27 million), the African Development Foundation ($22 million), and the U.S. Institute of Peace ($15 million)—while rescinding multi-year appropriations for the Corporation for Public Broadcasting for fiscal years 2026 and 2027. The pocket Rescissions Act that passed Congress in August 2025 cut further waste by $4.9 trillion and builds on the $3 billion in savings announced by the President when he first took office, placing the total taxpayer savings at $1.7 trillion.

- **Economic Growth Scoring to Curb Future Inflation:** A centerpiece of the Working Families Tax Cuts' restoration of fiscal sanity was its adoption of *dynamic scoring* principles that measure fiscal impacts alongside projected GDP effects, a provision on which AFPI has extensive research. Under § 80001, for instance, the Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) are required to incorporate dynamic modeling into the official scoring of major legislation. This section requires that any bill with an estimated gross budgetary effect exceeding $250 million must include, in salient part, an assessment of its macroeconomic effects, such as anticipated changes in employment, investment, and output. The provision further directs both CBO and JCT to publish side-by-side comparisons between traditional static scores and dynamic scores to improve transparency in fiscal policymaking.

  Consonantly, § 80002 requires the Treasury to report annually on how enacted legislation affects long-term economic growth, capital formation, and productivity. This provision ensures that economic modeling is not merely advisory but integrated into the federal budget process, aligning with the Trump Administration's broader effort to link pro-growth tax policy with fiscal discipline.

4) ELIMINATING WASTE, FRAUD, AND ABUSE OF TAXPAYER MONEY

- **Congress Adopts DOGE Reforms:** The Working Families Tax Cuts adopted several fiscal oversight reforms that mirrored and bolstered President Trump's efforts to eliminate waste, fraud, and abuse under his Department of Government Efficiency (DOGE) initiative. At the administrative level, §§ 20006 and 20012 instituted department-wide audit and modernization mandates at the Department of Defense, requiring the integration of uniform accounting systems and the reconciliation of all outstanding contracts and property holdings. These provisions marked a decisive step toward closing audit gaps that had allowed billions in untracked expenditures to accumulate over decades. The reforms required annual reporting to Congress and empowered Inspectors General to certify the reliability of internal controls, thereby transforming the Pentagon's financial management practices from discretionary to accountable.

  Independent agencies and financial regulators were similarly subjected to new fiscal guardrails. § 30001 placed statutory limits on the Consumer Financial Protection Bureau's ability to draw self-directed funds, aligning its budget with congressional appropriations and returning surplus balances to the Treasury. § 30003 further eliminated discretionary reserve accounts within the Securities and Exchange Commission, permanently closing channels through which the agency had previously financed technology projects and enforcement activities without oversight. These measures collectively reinforced Congress's power of the purse and restricted agencies from sustaining operations beyond their authorized mandates.

  Across other departments, the Act required Inspector General review and certification of all major grant and loan programs exceeding defined thresholds, standardizing oversight practices that had varied widely across agencies. §§ 40001–40004 eliminated overlapping compliance penalties and reduced administrative duplication in transportation and infrastructure programs. These actions constrained regulatory spending while preserving the integrity of essential safety standards.

The legislation also created cross-agency reporting systems designed to identify duplicative grant programs and dormant accounts. Agencies were required to submit consolidated quarterly ledgers of unliquidated obligations, enabling the Office of Management and Budget to cancel funds that had remained idle beyond statutory time limits. This mechanism addressed a recurring source of inefficiency in which agencies accumulated balances and reissued them through internal memoranda, effectively expanding their budgets without new appropriations.

§§ 50001–50005 strengthened procurement accountability by directing all federal departments to establish contract-level tracking for obligations and sub-obligations. This ensured traceability of federal spending from initial award to final expenditure and curtailed the practice of layering subcontracts to obscure true costs. The Act also authorized the use of automated analytics to detect irregular payment patterns, enabling auditors to flag high-risk transactions before disbursement rather than after the fact.

5) STOP UNDERMINING AMERICAN WORKERS BY SECURING THE BORDER

- **Securing the Border**: The Working Families Tax Cuts was the single largest commitment to border security. Under § 90001, the Working Families Tax Cuts committed $46.55 billion through fiscal 2029 to complete and reinforce the border wall system. This allocation covered construction, installation, and improvement of new or replacement primary, waterborne, and secondary barriers; building and upgrading access roads; and integrating security attributes such as cameras, lighting, sensors, and other detection technology. It also funded site preparation and ground stabilization along the U.S.–Mexico border to ensure that U.S. Customs and Border Protection (CBP) could operate efficiently.

  § 90002 strengthened front-line enforcement by appropriating roughly $12 billion for CBP personnel, vehicles, and facilities. Of this total, $4.1 billion funded the hiring and training of additional Border Patrol agents, field officers, and Air and Marine agents; $2.05 billion supported recruitment, performance, and retention bonuses; $855 million covered the repair and replacement of patrol units; and $5 billion was directed to constructing and improving checkpoints, stations, and operational facilities. Notably, the statute barred the use of these funds to recruit or train “processing coordinators” after October 31, 2028—an intentional shift away from administrative functions toward physical and tactical enforcement.

  Under § 90003, the Working Families Tax Cuts appropriated $45 billion for U.S. Immigration and Customs Enforcement (ICE) detention capacity, encompassing both adult and family units. The law authorized continued use and expansion of “family residential centers” to hold family units pending removal decisions under the Immigration and Nationality Act. It defined such centers as DHS-operated detention facilities, regardless of state or local licensing, thereby preempting local restrictions that had previously limited federal detention operations.

  § 90004 provided $6.17 billion for border technology and screening modernization. Funds were directed toward non-intrusive inspection equipment, AI-driven detection systems for narcotics interdiction, aerial and maritime surveillance platforms, biometric entry-exit tracking systems, and high-speed response technologies. These investments complemented physical barriers and patrol capacity by providing persistent situational awareness across land, air, and sea entry points.

- **Enhancing Enforcement Authority**: Adding teeth to the historic funding commitments, the Working Families Tax Cuts restored the enforcement backbone that the Biden Administration had deliberately dismantled. Under §§ 90002–90003, the Working Families Tax Cuts reinstated DHS's full detention and removal authority under the INA, closing the loopholes that had enabled mass release through parole and deferred action. It barred state and local interference by defining DHS-operated family residential centers as lawful federal detention facilities "regardless of whether licensed by the State or locality," restoring federal supremacy over immigration enforcement.

  §§ 100051–100058 strengthened EOIR's adjudicatory framework, ending the procedural abuses that had paralyzed deportation proceedings under the BHA. By imposing filing fees on asylum and parole applications, limiting repetitive motions, and linking case completion to performance metrics, the Working Families Tax Cuts eliminated the delays and frivolous filings that had turned immigration courts into holding patterns for unlawful entrants.

  §§ 90002–90004 expanded interagency coordination between DHS and DOD, authorizing temporary use of military installations for detention and repatriation operations. The Working Families Tax Cuts further required biometric collection for all aliens detained under INA §§ 235 and 287, ensuring accurate identification, preventing reentry, and expediting removal of repeat violators.

- **Reversing Biden-era Incentive Schemes**: Congress was deliberate in codifying President Trump's efforts to dismantle the Biden Administration's subsidization of the border invasion. Under § 71110, the Working Families Tax Cuts reduced the federal reimbursement rate for Medicaid emergency services to unauthorized immigrants from 90% to the regular emergency Federal Medical Assistance Percentage (FMAP) rate, ensuring that federal support for illegal aliens could not exceed that provided for citizens. Under § 71117, the Working Families Tax Cuts closed the so-called "California loophole," prohibiting states from leveraging creative accounting to draw down federal Medicaid funds for unauthorized immigrant coverage. Further, §§ 71301–71302 restricted eligibility for ACA premium tax credits by eliminating access for noncitizens with incomes below the federal poverty level, restoring parity between citizen and noncitizen eligibility and ensuring that taxpayer-funded subsidies serve only those lawfully entitled to them. Finally, under § 71109 and § 71201, the Working Families Tax Cuts limited federally subsidized health coverage (i.e., Medicaid, CHIP, Medicare, and ACA) to citizens, lawful permanent residents, and individuals under Compacts of Free Association, cutting off access for parolees, asylees, and other unlawful entrants except for emergency care.

  Further, WFTC §§ 10102 and 10108 tightened eligibility for federal entitlements beyond health care. § 10102 expanded and enforced work requirements for able-bodied adults without dependents, ending categorical exemptions that promoted dependency. § 10108 restricted SNAP participation to U.S. citizens, nationals, lawful permanent residents, and individuals lawfully present under a Compact of Free Association, closing BHA-era loopholes that had allowed unauthorized recipients to access taxpayer-funded benefits.

  Further, WFTC §§ 10102 and 10108 tightened eligibility for federal entitlements beyond health care. § 10102 expanded work requirements for able-bodied adults without dependents in the Supplemental Nutrition Assistance Program (SNAP) to more accurately reflect the current work force, raising the age limit from 54 to 64. It also requires parents or guardians of children 14 or older to now work. § 10108 restricted SNAP participation to national, or lawful permanent residents with few exceptions to avoid alien SNAP eligibility. This will preserve benefits for the most vulnerable of our population.

6) REESTABLISHMENT OF AMERICAN ENERGY AND LOWERING ENERGY COSTS

- **Ending Biden's Green New Deal Spending**: Substituting the Biden Administration's climate agenda are provisions §§ 70521–70525 and 70531 of the Working Families Tax Cuts, which redirected energy and trade policy toward domestic production, fossil independence, and economic sovereignty.

  Under § 70521, the Working Families Tax Cuts extended the clean fuel production credit through 2029 but conditioned its use on the exclusive sourcing of feedstocks from the United States, Mexico, or Canada. It imposed a 20% reduction on credits claimed for fuels derived from foreign feedstocks beginning in 2026, eliminating incentives for overseas production and repatriating energy investment to North America. The section further prohibited the manipulation of emissions rates through artificial "negative emission" calculations, required transparent rulemaking by the Department of Transportation to verify credit eligibility, and eliminated inflation adjustments and duplicative credits. Collectively, these changes realigned the clean fuel framework to prioritize domestic manufacturing and remove the global subsidies that proliferated under the prior administration's green energy regime.

  § 70522 reinforced this approach by barring foreign and foreign-influenced entities from claiming the carbon oxide sequestration credit, closing a loophole that had permitted foreign corporations to benefit from U.S. taxpayer-funded credits. By tightening eligibility and standardizing sequestration values, the law ensured that credits serve only bona fide American industrial operations.

  § 70523 restored fairness to the energy tax code by permitting corporations to deduct intangible drilling and development costs when calculating adjusted financial statement income for minimum tax purposes. This adjustment reversed Biden-era disincentives to domestic oil and gas exploration and reaffirmed the principle that American producers should not be penalized for reinvestment in domestic energy capacity.

  § 70524 expanded the definition of qualifying income for publicly traded partnerships to include hydrogen storage, carbon capture, hydropower, geothermal energy, and advanced nuclear generation. This broadened framework encouraged private-sector investment in energy innovation without new federal subsidies, consistent with the America-First principle of market-driven diversification.

  § 70525 allowed refunds of excise taxes on indelibly dyed diesel fuel and kerosene used for agricultural and off-road purposes, relieving rural workers and farmers of unnecessary federal burdens and restoring fairness in the application of fuel taxes.

  Finally, § 70531 repealed the de minimis privilege for commercial imports valued under $800, closing a major avenue of abuse that had allowed foreign firms—particularly those based in China—to evade tariffs and flood the U.S. market with untaxed goods. This reform protected American manufacturers, strengthened customs enforcement, and aligned trade policy with President Trump's broader effort to restore economic sovereignty.

- **Bolstering Domestic Oil and Natural Gas Production:** Under § 50101, Working Families Tax Cuts repealed the IRA's 16.67% royalty rate for onshore oil and gas leases and restored the pre-IRA rate of 12.5%. It reestablished BLM's authority to issue noncompetitive leases under a first-come, first-served system, required DOI to resume quarterly lease sales across nine western states, extended drilling permits from three to four years, and eliminated the $5-per-acre "Expression of Interest" fee. By mandating that all leasable lands remain available for development, § 50101 reversed Biden-era restrictions that had stalled new exploration and artificially limited supply.

§ 50102 restored offshore leasing levels by requiring BOEM to conduct two annual lease sales in the Gulf of America and six in Alaska's Cook Inlet over the next decade. Each Gulf sale had to offer at least 80 million acres, with Alaskan sales offering no fewer than 1 million acres. The section increased state revenue shares from $500 million to $650 million annually and reinstated the 12.5% royalty rate for offshore production. By requiring approval of commingling requests absent safety or production concerns, § 50102 eliminated bureaucratic bottlenecks that delayed operations under the Biden administration.

§ 50103 repealed § 50263 of the IRA, which had imposed royalties on methane extracted from onshore and offshore leases. By eliminating this surcharge, the Working Families Tax Cuts reduced compliance costs for producers and protected consumers from higher fuel prices.

§ 50104 reopened Alaska's Coastal Plain to responsible development by mandating at least four lease sales within ten years, each offering 400,000 acres or all remaining unleased tracts. It directed 50% of receipts to the State of Alaska through 2033 and 70% thereafter, ensuring local benefit from national resource development.

§ 50105 advanced the same principle within the NPR-A, requiring BLM to hold five lease sales over ten years, each covering at least 4 million acres. It repealed restrictive Biden-era regulations and reinstated the framework established under the Trump Administration, directing 70% of receipts to Alaska.

- **Coal Production**: The Working Families Tax Cuts also provided a comprehensive federal framework to revive domestic coal extraction. Under § 50201, Working Families Tax Cuts required DOI to process and finalize all pending coal lease applications by publishing any necessary environmental review, establishing fair market value, conducting a lease sale, identifying the highest bidder, and awarding leases to qualified applicants. The provision further authorized the Secretary of the Interior to issue any additional approvals required for mining operations to commence, ensuring that qualified applicants with winning bids could move forward without administrative delay or indefinite review.

  § 50202 reduced the royalty rate for coal mined on federal lands from 12.5% to 7% through 2034, applying the reduction retroactively to all non-terminated leases issued prior to enactment. It directed DOI to reimburse lessees if credits for prior advance royalty payments exceeded total royalties owed, ensuring parity and eliminating the punitive financial terms established under prior regulations.

  § 50203 mandated that, within 90 days of enactment, DOI make at least 4 million acres of known recoverable coal resources available for lease, excluding limited categories of protected lands such as national parks and monuments. This requirement restored a predictable leasing cadence for the coal sector, signaling the end of politically motivated restrictions on federal resource development.

  § 50204 authorized mining of federal coal reserves covered by previously approved mining plans when necessary to access adjoining state or private reserves that could not otherwise be mined economically. This provision closed regulatory gaps that had prevented the efficient recovery of coal seams spanning mixed-ownership tracts, thereby maximizing resource utilization and revenue.

- **Restoring the U.S. Strategic Petroleum Reserve:** The Biden Administration's egregious mismanagement of the Strategic Petroleum Reserve (SPR) ahead of the 2022 midterm elections was unnecessary and reckless. Simultaneously restraining domestic energy production on top of the SPR sitting at its lowest level since September 1983 means that our country remains dangerously ill-prepared for a real energy crisis. § 50401 appropriates $218 million for maintenance and repairs to the SPR and appropriates $171 million for the acquisition of petroleum products for storage in the SPR. These reforms also repeal drawdown instructions of the SPR during FY 2026 through 2027. These reforms prioritize domestic energy production and ensure our Nation is prepared for an energy crisis.

7) ADVANCING THE MAHA AGENDA, EMPOWERING PARENTS, PROTECTING CHILDREN

- **Cuts Taxpayer Funding for Planned Parenthood, the Largest Provider of Abortions and Gender Transition Treatments for Minors:** Notably, WFTC marks an important first step toward dismantling the radical gender agenda, particularly the performance of genital mutilation of and prescription of hormone therapies to children. § 71113 prohibited Medicaid payments to nonprofit, so-called" reproductive health" organizations performing abortions beyond Hyde-permitted exceptions and receiving over $800,000 in Medicaid reimbursements in 2023. Here, Congress effectively served Medicaid support for the nation's largest institutional promoter of youth gender-transition protocols: Planned Parenthood. § 71113 therefore operated not only as an abortion-funding restriction but as a broader safeguard against federal dollars flowing to large-scale nonprofit systems engaged in these dangerous, medically baseless interventions on our nation's children.

- **Eliminating Waste, Fraud, and Abuse in Medicaid**: Replacing the Biden Administration's lax oversight and runaway enrollment policies, the Working Families Tax Cuts §§ 71101–71108 restored accountability, fiscal discipline, and state control to the Medicaid program. Under § 71101, the Working Families Tax Cuts halted implementation of the Biden Administration's *Streamlining Medicaid* rule[6], which had attempted to automate enrollment into the Medicare Savings Program (MSP) without proper eligibility verification. The rule would have also permitted states to inflate eligibility by projecting uncovered service costs under the "spenddown" calculation, deeming individuals eligible even when their income exceeded medically needy thresholds. By placing a moratorium on the rule's enforcement, the Working Families Tax Cuts prevented a federal takeover of States' enrollment processes and stopped what would have been a costly expansion of subsidized benefits to those who did not qualify.

  § 71102 imposed a parallel moratorium on the Biden Administration's "Streamlining Medicaid, CHIP, and Basic Health Program" rule through 2034. This rule had eliminated waiting periods, lock-out penalties, and verification steps designed to ensure that only eligible individuals receive benefits – The Working Families Tax Cut's moratorium restored these safeguards, closing the door on

---

[6] *See* Medicaid Program, Streamlining the Medicaid, Children's Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes, 89 Fed. Reg. 22,780 (2024).

widespread abuse that had allowed ineligible individuals—including noncitizens—to enroll and remain in the program at state and federal expense.

§ 71103 required states to establish systems to prevent duplicate enrollment across jurisdictions by sharing beneficiary data and matching Social Security numbers. This reform addressed a long-standing loophole that had allowed individuals to collect benefits from multiple state programs simultaneously, draining resources from the vulnerable populations Medicaid was intended to serve.

§ 71104 mandated quarterly checks against the Social Security Administration's Death Master File to remove deceased individuals from Medicaid rolls, while § 71105 required monthly verification to ensure that terminated providers could not re-enroll under new identifiers in other states. These provisions eliminated systemic fraud that had allowed billions in improper payments to persist under prior administrations.

§ 71106 curtailed states' ability to waive excessive or improper Medicaid payments and expanded the definition of "erroneous payments" to include any reimbursement for services provided to ineligible individuals. This reform created a financial disincentive for states to tolerate waste and ensured that Medicaid funds were directed only to legitimate beneficiaries.

§ 71107 strengthened redetermination requirements by mandating that states verify eligibility for expansion populations every six months—double the frequency required under previous law. This ensured that states continuously reassess eligibility rather than allowing automatic renewal of unverified recipients.

Likewise, the Working Families Tax Cuts reaffirmed Medicaid's status as a means-tested program for the truly needy by tightening asset tests. Here, § 71108 reestablished a $1 million home equity limit for determining Medicaid long-term care eligibility and prohibited the use of asset disregards to bypass this ceiling.

§ 71112 curtailed retroactive coverage to one month for expansion populations and to two months for traditional enrollees, thus ending the practice of post hoc enrollment that drove up unnecessary costs. § 71113 prohibited federal Medicaid payments to abortion providers receiving over $800,000 in annual reimbursements, ensuring that taxpayer funds no longer subsidize entities engaged in elective procedures.

Through §§ 71114–71116 of the Working Families Tax Cuts, these further eliminated fiscal gimmicks embedded in the American Rescue Plan Act by sunsetting the 5% FMAP bonus for expansion states, capping provider taxes, and restoring state-directed payments to parity with Medicare rates. § 71117 closed loopholes in the Medicaid provider tax system that states such as California and New York exploited to draw billions in excess federal funds. Finally, § 71118 reinstated budget neutrality for § 1115 demonstration projects, ending the Biden Administration's practice of approving non-medical spending disguised as "innovation."

- **Protecting and Expanding Access to Quality, Affordable Care**: § 71111 of the Working Families Tax Cuts imposed a moratorium through 2034 on the Biden-era rule[7] establishing federal minimum staffing mandates for long-term care facilities. These onerous and arbitrary requirements would have forced 80% of America's nursing homes into noncompliance, driving closures in rural and workforce-shortage regions. Further, §§ 71306–71308 advanced patient choice and financial autonomy in healthcare by permanently extending the safe harbor for telehealth services under HDHPs, classifying all ACA bronze plans as HSA-eligible, and allowing HSA funds to cover direct primary care arrangements within capped monthly limits.

  The Working Families Tax Cuts also furnished seniors with targeted relief and long-overdue reforms to preserve access to care and incentivize medical innovation. Under § 71202, it provided a 2.5% temporary payment increase under the Medicare physician fee schedule for 2026, thus averting reimbursement cuts that had eroded provider participation and limited seniors' access to care under the prior administration. § 71203 amended the orphan drug provisions of the Social Security Act to ensure that treatments developed for one or more rare diseases remain exempt from federal price negotiations, protecting innovation pipelines and patient access to breakthrough therapies.

- **Putting Rural Health First**: § 71401 of the Working Families Tax Cuts established the Rural Health Transformation Program, authorizing $50 billion over five fiscal years to strengthen rural hospitals and preserve access to care in underserved communities. The law directed CMS to work with states to stabilize critical access facilities, modernize infrastructure, and identify systemic risks leading to closures or service cutbacks. By targeting funds to rural hospitals rather than subsidizing administrative growth, the Working Families Tax Cuts reversed the Biden Administration's neglect of rural healthcare, prioritizing operational viability, patient access, and long-term financial resilience over bureaucratic expansion.

- **More Affordable Educational Options**: Further, § 70411 establishes a new federal tax credit for individual contributions to scholarship-granting organizations, enabling more K-12 students to receive privately funded scholarships for tuition, materials, and other qualified educational expenses. Likewise, § 70413 expands the allowable tax-exempt uses of 529 savings plans to cover educational expenses at public, private, religious, and home schools, thereby increasing families' flexibility to direct their children's K-12 education according to the child's needs.

[7] *See* Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting, 89 Fed. Reg. 40876 (2024).