



ICSC Update

SPEAKER

Phillips Hinch, VP, Tax Policy, Government Relations, ICSC

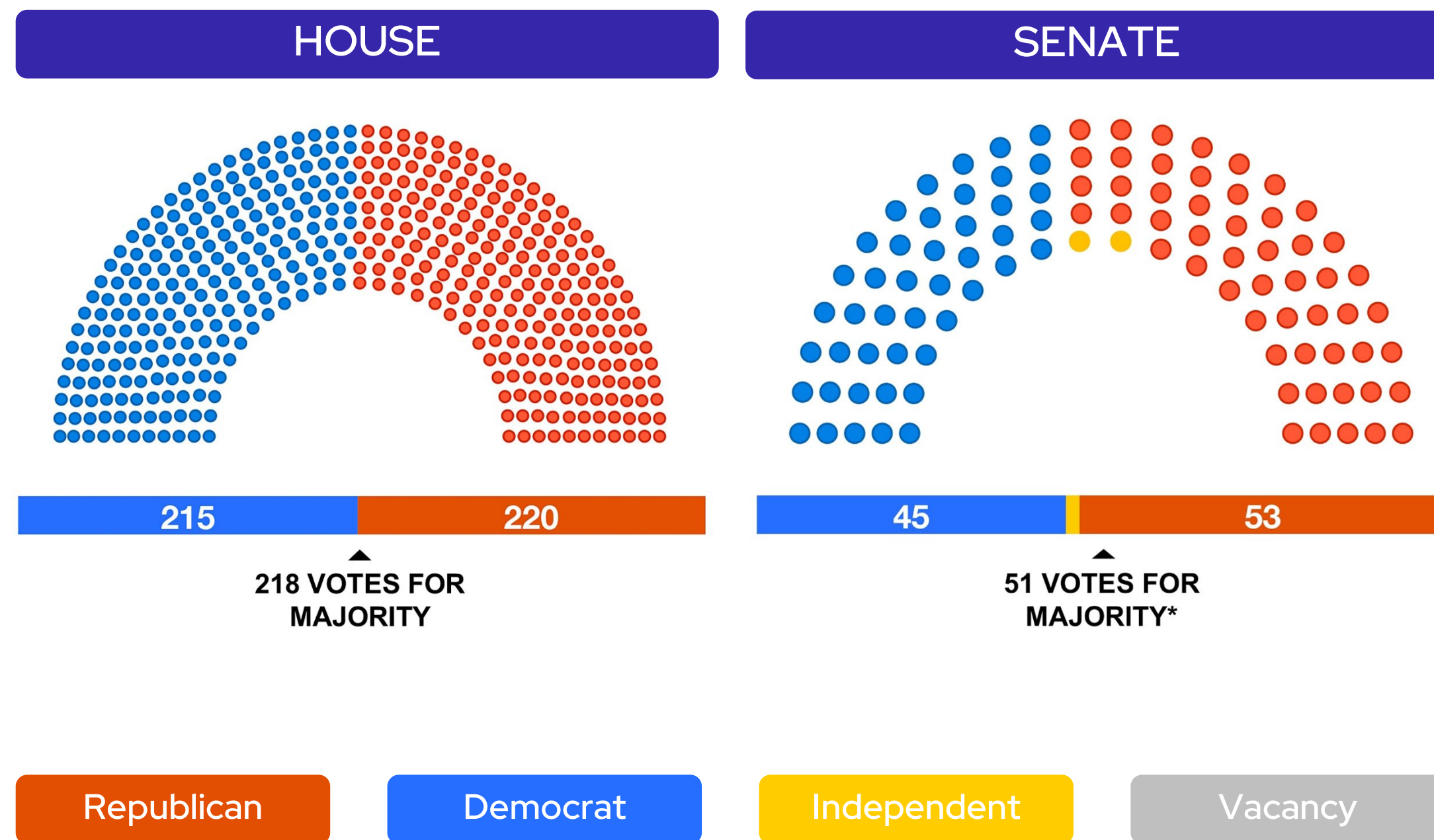


Agenda

- 119th Congress and Key Considerations
- Critical Deadlines
- Tax Policy
- Other Policy Priorities
- How To Get Involved





119th Congress

Composition



*Independent Senators Sanders (VT) and King (ME) caucus with Democrats

Leadership

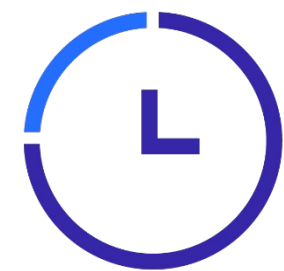
<div style="background-color: #e85c3d; color: white; padding: 5px; text-align: center; margin-bottom: 10px;">SPEAKER OF THE HOUSE</div> <div style="background-color: #f8d7da; padding: 10px; text-align: center;">  <p>Mike Johnson R-LA-4</p> </div> <p>Represents the Republican Party on the House floor</p>	<div style="background-color: #e85c3d; color: white; padding: 5px; text-align: center; margin-bottom: 10px;">SENATE MAJORITY LEADER</div> <div style="background-color: #f8d7da; padding: 10px; text-align: center;">  <p>John Thune R-SD</p> </div> <p>Elected as the Senate Majority Leader in 2024</p> <p>Replaces Sen. Mitch McConnell who has decided to step down after 18 years</p>
<div style="background-color: #3498db; color: white; padding: 5px; text-align: center; margin-bottom: 10px;">HOUSE MINORITY LEADER</div> <div style="background-color: #d9edf7; padding: 10px; text-align: center;">  <p>Hakeem Jeffries D-NY-8</p> </div> <p>Maintains seat as the House's top Democrat</p> <p>Replaced former House Speaker Nancy Pelosi in 2022</p>	<div style="background-color: #3498db; color: white; padding: 5px; text-align: center; margin-bottom: 10px;">SENATE MINORITY LEADER</div> <div style="background-color: #d9edf7; padding: 10px; text-align: center;">  <p>Chuck Schumer D-NY</p> </div> <p>Reelected as Democratic leader in the 119th Congress</p>

2025 Important Legislative Deadlines

Topic	Deadline	Description
Debt Limit Suspension	January 2, 2025	The debt limit suspension ended on January 2. The Treasury has been meeting its obligations using “extraordinary measures”.
Government Funding	March 14, 2025	Government shutdown if Congress cannot pass a spending bill or a continuing resolution
National Flood Insurance Program	March 14, 2025	Temporary reauthorization ends for the program, which handles flood insurance to at-risk properties and flood risk mapping
ICSC Federal Fly-in	March 24 - 26	
Debt Ceiling “X-Date”	Summer 2025	Unless addressed, the federal government may be unable to fully pay its financial obligations, possibly defaulting on the national debt
Government Funding	September 30, 2025	Government shutdown if Congress cannot pass a spending bill or a continuing resolution
TCJA Individual Tax Cuts	December 31, 2025	Key individual provisions of the Tax Cuts and Jobs Act Expire, including lower tax brackets and pass-through deduction

Reconciliation

Procedural tool used to pass major legislation including Tax Cuts and Jobs Act (Trump; 2017), American Rescue Plan (Biden; 2021), and Inflation Reduction Act (Biden; 2022)



Allows for Quick Legislating

- Created via the Congressional Budget Act of 1974
- Provides an expedited process for passing congressional measures related to the budget



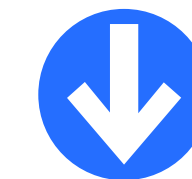
Cannot be Filibustered

- Debate in Senate is limited to 20 hours
- Allows passage of certain legislation by simple majority



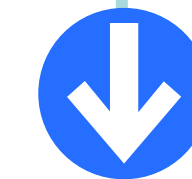
Provisions Must Abide by the "Byrd Rule"

- Must have a non-incidental effect on the budget
- Must not add to the deficit outside the budget window covered by the bill

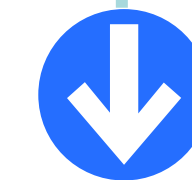


Budget Reconciliation Process

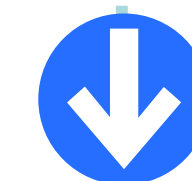
Both House and Senate pass a budget resolution which includes reconciliation instructions
(No filibuster – simple majority vote in both chambers)



Instructed committees develop and vote on policy recommendations related to the instructions
(simple majority vote)



Budget committees bundle proposals into budget measure and vote (simple majority vote)



Full House votes (rules for debate and final passage are by simple majority vote)

Senate debate limited to 20 hours (no filibuster) but unlimited amendments can be offered (vote-a-rama)



President signs budget reconciliation measure

Tax: Key Issues for 2025 & Revenue Impact (\$billion over 10 years)

Passed in TCJA

Individual Tax Brackets	-\$2,200
Individual State & Local Tax Deduction (SALT) Cap	+\$1,300
Pass-through Deduction (199A)	-\$680
100% Bonus Depreciation	-\$380
R&D Expensing	-\$190
Estate Tax Exemption	-\$170
Opportunity Zones	-\$70
163(j) Expensing Limitation	-\$70

Also Up For Discussion

Business SALT	+\$310
Repeal IRA Green Energy Tax Credits	+\$300
Limit 1031 Like-Kind Exchanges	+\$20
Carried Interest/The Promote	+\$15

Trump Campaign Promises

No Tax On: Tips Overtime Social Security	-\$100 -\$750 -\$1,800
Lower Corporate Rate for Domestic Manufacturing	-\$200

Key Players in Congress

State	Name
ID	Sen. Mike Crapo (Chair)
MO	Jason Smith (Chair)
IN	Sen. Todd Young
	Rudy Yakym
OH	Mike Carey
	Max Miller
PA	Mike Kelly
	Lloyd Smucker
	Brian Fitzpatrick
	Brendan Boyle
	Dwight Evans

Non-Tax Legislative Priorities

Capital Markets/Financial Services

- Corporate Transparency Act (CTA)
- Significant and "capital neutral" revisions to Basel III Endgame proposal
- National Flood Insurance Program reform
- Capital formation

Environmental Issues

- Brownfield Redevelopment
- PFAS
- Waters of the U.S.
- ESG

Organized Retail Crime (ORC)

ICSC PAC

The ICSC PAC is one of the most valuable tools ICSC has to foster relationships with lawmakers outside of the bounds of Capitol Hill and educate candidates for federal office on our role in building communities and fueling economies.

Why does ICSC have a PAC?

Policy decisions are being made every day in Washington that could negatively impact your business. Active ICSC member engagement in the political process is critical to stay ahead of bad legislation and protect the interests of the Marketplaces Industry.

Who can give?

ICSC members and employees. U.S. Citizens or Permanent Resident Aliens (i.e., a Green Card Holder residing in the U.S.)

Why is your support important?

Having a robust PAC enables ICSC's team in Washington to better represent the industry with federal candidates and further our policy agenda.

If you're not
at the table,
you're on the
menu

A top-down view of a white ceramic plate set on a dark, textured wooden table. To the left of the plate is a silver fork, and to the right is a silver butter knife. The words 'Marketplaces Industry' are printed in a bold, blue, sans-serif font across the center of the plate.

Marketplaces
Industry

Q & A



Phillips Hinch
phinch@icsc.com



#ICSC • [ICSC.com](https://www.icsc.com)