



*This chart indicates notable differences between the Senate-passed and the House-passed versions of the American Recovery and Reinvestment Act of 2009. This chart includes amendments accepted by the Senate, including the Collins-Nelson (NE) compromise amendment. Additional minor differences, such as the commissioning of various studies in the two bills, may exist*

<b>Policy</b>	<b>Senate Bill</b>	<b>House Bill</b>
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**Tax Policy**

*Tax Relief For Individuals And Families (Subtitle A)*

<b>One-time payment for Social Security beneficiaries, veterans</b>	\$300 one-time payment distributed to social security beneficiaries, disabled veterans, SSI beneficiaries, and retired rail-road workers	Payment distributed to SSI beneficiaries only
<b>Alternative minimum tax patch</b>	AMT patch for 2009	Not included
<b>Temporary suspension of taxation of unemployment benefits</b>	Temporarily suspends federal income tax on the first \$2,400 of unemployment benefits	Not included
<b>Making work pay credit</b>	Phased out at \$70,000 (\$140,000 for couples)	Phased out at \$75,000 (\$150,000 for couples)
<b>Refundable child tax credit</b>	Increase eligibility for the refundable tax credit by lowering the income threshold from \$8,500 to \$8,100	Increase eligibility for the refundable tax credit by lowering the income threshold from \$8,500 to \$0
<b>Homeownership Tax Credit</b>	Expands credit to \$15,000 and allows the credit for all home purchases (not just first-time home purchases); effective on the date of enactment for one year	Eliminates the repayment requirement
<b>American Opportunity Tax Credit</b>	\$2,500 higher education credit is 30% refundable up to \$750	\$2,500 higher education credit is 40% refundable up to \$1,000
<b>Expand the definition of expenses for 529 education savings plans</b>	Expands the definition of qualified expenses to include computer technology and equipment	Not included
<b>Transit parity</b>	Equalizes tax-free transit and parking benefits	Not included

<b>Above-the-line deduction for automobiles</b>	Above-the-line deduction for interest expenses and State and local sales taxes paid on the purchase of a new automobile	Not included
<i>Energy Incentives (Subtitle B)</i>		
<b>Advanced energy investment credit</b>	Establishes a new 30% investment tax credit for manufacturing of advanced energy property	Not included
<b>Department of energy grant program for renewable electricity projects</b>	Not included	Renewable electricity projects eligible for production tax credit may instead elect to participate in Department of Energy grant program
<b>Consumer vehicle incentives</b>	Creates new tax credit for 2 and 3 – wheeled vehicles and low speed vehicles; increases plug-in electric vehicle cap to 500,000 vehicles; provides new credit for converting hybrids to plug-in hybrids	Not included
<b>Plug-in manufacturing and retooling incentive</b>	Provides temporary expensing for domestic plug-in vehicle and component manufacturing	Not included
<b>Depreciation for smart meters</b>	Temporarily modifies the depreciation schedule for smart meters, reducing the recovery period for this property from ten years to five years	Not included
<b>Energy-efficient existing homes</b>	Extends and expands credit; modifies standards	Extends and expands credit
<i>Tax Incentives For Business (Subtitle C)</i>		
<b>Extension of monetization of accumulated AMT and R&amp;D credits in lieu of bonus depreciation</b>	Allows some AMT and loss taxpayers in 2009 to receive 20% of the value of their old AMT or research and development credits	Not included
<b>Delayed recognition of certain cancellation of debt income</b>	Allows certain businesses to recognize cancellation of indebtedness income over eight years	Not included

<b>Incentives to hire unemployed veterans, disconnected youth</b>	Expands Work Opportunity Tax Credit to veterans released from active duty between 2001 and 2010, and disconnected youth	Expands Work Opportunity Tax Credit to veterans discharged from active duty between 2008 and 2010, and disconnected youth
<b>Small business capital gains</b>	Increases the exclusion for individuals on gain from the sale of certain small business stock	Not included
<b>S-Corp holding period modification</b>	Temporarily shorten the holding period of assets subject to built-in gain from 10 to 7 years	Not included
<b>Low-income housing tax credits</b>	Accelerated to permit investors to claim 20% of the allowable credits in each of the first three years and the remaining 40% of the next seven years	Not included
<b>Low-income housing grant option</b>	Not included	HUD grant option for low-income housing investment
<b>Repayment of bonuses under the Troubled Asset Relief Program (TARP)</b>	Institutions participating in TARP that awarded bonuses greater than \$100,000 to directors and officers for services rendered during 2008 must buy back stock from the government in an amount equal to excess bonuses; failure to timely repurchase stock will result in a 35% excise tax on excess bonus amounts	Not included
Manufacturing Recovery Provisions (Subtitle D)		
<b>Industrial development bonds</b>	Amends the definition of manufacturing facility, clarifies which physical components of a manufacturing facility qualify	Not included
<b>Advanced energy investment credit</b>	Clarifies criteria and qualifications for advanced energy investment credit	Not Included
Economic Recovery Tools (Subtitle E)		
<b>Recovery zone bonds</b>	\$10 billion in private activity bonds and \$5 billion in refundable credit bonds	\$15 billion in private activity bonds and \$10 billion in cash-out tax credit bond for distressed economic areas
<b>New markets tax credit</b>	\$3 billion dollars in additional funding for the credit	Not included

Infrastructure Financing Tools (Subtitle F)

<b>Three percent withholding on government contracts</b>	Delay implementation of the law by one year	Full repeal
<b>School construction bonds</b>	\$5 billion for new school construction	\$11 billion for new school construction
<b>New tax credit bonds for government infrastructure projects (Build America Bonds)</b>	Provided for two years; increased credit for small issuers	Permanent

***Health Policies***

<b>COBRA - premium subsidies</b>	50% subsidy for 12 months; gives employers more time to administer subsidy; allows COBRA-eligible individuals to change coverage options	65% subsidy for 12 months
<b>COBRA - health benefits extension for older and long-term workers</b>	Not included	Benefits available to workers age 55+ and long-term workers until they are eligible for Medicare
<b>Medicaid – temporary option for the unemployed</b>	Not included	Medicaid option for unemployed who are not eligible for COBRA with 100% Federal match
<b>Medicaid – extension of reg. delays</b>	Not included	6 month extension
<b>FMAP bonuses</b>	Distributes \$87 billion with more for states up front, less in bonuses (80% in across-the-board payments and 20% in bonuses)	Distributes \$87 billion with less for states up front, more in bonuses (50% in across-the-board payments and 50% in bonuses)
<b>Limit on application of increased FMAP match</b>	States that expand income eligibility levels in Medicaid will not receive increased federal match created in this bill for those newly eligible beneficiaries. Instead, state would receive standard matching rate	Not included
<b>Extend disproportionate share hospital (DSH) payments</b>	Extend payments to hospitals with disproportionate number of low-income, Medicaid, and uninsured patients through December 31, 2010	Not included

<b>State reimbursement for special disability workload</b>	Provides \$3 billion in compensation to states for Medicaid coverage that was legal responsibility of Medicare	Not included
<b>Health information technology (HIT)</b>	Payment incentives beginning in 2011 and penalties beginning in 2015; includes Critical Access Hospitals (up to \$1.5 million per hospital)	Payment incentives beginning in 2011 and penalties beginning in 2016; Critical Access Hospitals not eligible

***Unemployment & Assistance Policies***

<b>UI benefits - temporary assistance for states with advances</b>	Waive interest payments, accrual of interest on loans to state unemployment trust funds	Not included
<b>UI Income disregard for Medicaid and CHIP eligibility</b>	Income disregard of the \$25 increase in weekly UI benefit	Not included
<b>UI Modernization</b>	Completion in two years (three years for biennial states)	Completion in three years
<b>TANF - supplemental grant extensions</b>	Increased funds for high pop. growth, increased poverty states	Not included
<b>Funding for child support enforcement</b>	Through December 31, 2010	Through September 30, 2010

***Trade Policies***

<b>Customs duty collection</b>	Prevents Customs Border Protection from collecting certain duties from U.S. companies	Not included
<b>Trade Adjustment Assistance</b>	Extend current programs for two years	Not included
<b>Buy American</b>	Prevents stimulus funds from being used for public buildings or public works unless all of the iron, steel, and manufactured goods used in the project are produced in the United States; must be applied consistent with U.S. international trade obligations	Prevents stimulus funds from being used for public buildings or public works unless all of the iron and steel used in the project are produced in the United States; no exception for international trade obligations

***Debt Limit***

<b>Debt limit increase</b>	Increase by \$825 billion	Not included
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***Note: Two provisions not under the jurisdiction of the Finance Committee should be noted as present in the Senate bill and not present in the House-passed bill. These Dodd and McCaskill provisions limit compensation for officers and directors of entities receiving emergency economic assistance and/or funding under the Troubled Asset Relief Program.***