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Tax provisions in the CARES Act (COVID-19 “phase 3” response): Preliminary analysis and observations

Congress has already enacted two coronavirus relief bills and is poised to enact a massive “phase 3” bill, reportedly with a cost approaching two trillion dollars. This third bill, the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act), includes a significant number of tax items applicable to individuals and businesses.

The U.S. Senate on March 25, 2020, passed the coronavirus (COVID-19) legislation—H.R. 748, the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act). The vote, at 96 to 0, was overwhelmingly bipartisan. The four Senators not voting were self-quarantined due to confirmed or suspected exposure to the coronavirus.

- Read [H.R. 748, the CARES Act](#) [PDF 1.08 KB] (880 pages)
- Read a revenue estimate provided by the Joint Committee on Taxation (JCT): [JCX-11-20](#)

With Senate approval, the bill now moves to the House of Representatives. Consideration of the bill is scheduled to begin at 9 a.m. on Friday, March 27, 2020. The bipartisan result in the Senate suggests that the bill would win approval in the House as well, although there is no guaranty this will be the case.

Legislative action in the House is complicated by the fact that most members of the House are in their home districts, rather than in Washington, D.C. The House could approve the “phase 3” legislation by unanimous consent of those House members present or by voice vote of those present (rather than a roll call vote)—other alternatives such as proxy voting, may require changes to the House rules.

President Trump has indicated that he would sign the legislation if it is approved by the House.

As noted above, the CARES Act legislation includes a number of tax provisions relevant to individuals and businesses.

Read [KPMG report: Tax provisions in the CARES Act \(COVID-19 “phase 3” response\)](#):

[Preliminary analysis and observations](#) [PDF 3.1 MB] that describes in more detail significant tax provisions in the CARES Act and provides KPMG's initial observations where relevant.

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