



# TaxNewsFlash

United States



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## KPMG report: Election results so far; preliminary observations regarding effect on future tax agenda

Election day in the United States was November 3, 2020. Results are not yet official. Nonetheless, as of 3:00 PM EST today (November 11, 2020):

- Projections by multiple major news outlets indicate that former vice president Biden will have sufficient electoral votes to be the next U.S. president.
- Democrats are likely to control the next U.S. House of Representatives, but by a narrower margin than in the current Congress.
- The issue of whether the next Senate will be controlled by Republicans or Democrats will be determined by run-off elections in the state of Georgia that will not be held until January 5, 2021.

As a result, assuming that projections are correct, it might not be clear until early January 2021 whether there will continue to be divided government at the federal level or whether the Democratic party will control the White House and both chambers of Congress. This lack of certainty has implications for tax planning (including year-end planning). The prospects for the enactment of major tax policy changes in the next couple years can be expected to be lower under a divided government scenario than under a scenario in which one party controls the White House, the House, and the Senate.

Read a [November 2020 report](#) [PDF 702 KB] prepared by KPMG LLP that summarizes key election results so far and provides some preliminary observations regarding the possible implications of the elections on tax legislation in 2021.

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