

U.S. Sen. Baldwin: Supports Inflation Reduction Act of 2022

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WASHINGTON, D.C. – U.S. Senator Tammy Baldwin announced her support for the *Inflation Reduction Act of 2022*. The legislation would make big corporations and wealthy hedge funds pay a fairer share of taxes; cut the deficit; lower the cost of prescription drugs and reduce health insurance premiums; lower household energy bills and invest in American clean energy to take on the climate crisis

“As families and businesses face rising costs, this legislation will reduce inflation and lower out of pocket costs for energy, prescription drugs, and health care. Our tax reforms make big corporations and wealthy hedge funds pay a fairer share of taxes so we can cut the deficit and reduce inflation for working families. Our legislation will lower energy costs for consumers and invest in boosting the production of clean energy here at home to take on the climate crisis and create jobs,” **said Senator Baldwin.**

Making Big Corporations and Wealthy Hedge Funds Pay A Fairer Share of Taxes

The most profitable corporations in the country abuse loopholes in the tax code to pay little to no taxes. Year after year, these companies report record profits to shareholders and pay a lower tax rate than every other small business in America. Nurses, firefighters, cops, and teachers often pay higher tax rates than companies with \$1 billion in profit per year. The *Inflation Reduction Act of 2022* would make big corporations with \$1 billion in profit per year pay a fairer share of taxes with a 15% Corporate Minimum Tax.

The *Inflation Reduction Act of 2022* also closes the carried interest tax loophole that largely benefits wealthy money managers on Wall Street. The tax reform would generate \$14 billion in savings. Previously, Senator Baldwin authored the [Carried](#)

[Interest Fairness Act](#) in 2021 to close this loophole and require carried interest income to be taxed at ordinary rates.

“To me this is simple, we need to bring fairness to a rigged tax system that favors big corporations and wealthy Wall Street hedge fund managers, allowing them to pay a lower tax rate than many Wisconsin workers,” **said Senator Baldwin.** “Our tax reforms make those at the top pay a fairer share of taxes so we can cut the deficit and make investments that will lower costs for working families in Wisconsin.”

Cutting Prescription Drug Costs and Reducing Insurance Premiums for Working Families

The *Inflation Reduction Act of 2022* empowers Medicare to begin negotiating directly for the price of prescription drugs in 2023, making sure our seniors and most vulnerable can afford the drugs they need and projecting the government to save nearly \$300 billion. The new policy will ensure that patients with Medicare get the best deal possible on high-priced drugs and caps Medicare patients out of pocket costs at \$2,000 a year. Senator Baldwin has long fought to allow Medicare to negotiate for prescription drugs, sponsoring legislation since she first was elected to the Senate.

The Baldwin-backed *American Rescue Plan* expanded premium tax credits for low- and middle-income Wisconsinites and lowered health insurance premiums for working families who buy insurance through the ACA marketplace. The *Inflation Reduction Act of 2022* extends these tax credits for three additional years, lowering health care costs for Wisconsin families and expanding access to affordable health care for millions of Americans

“No one should go bankrupt just to get the medications or health care they need to live a healthy life. The Inflation Reduction Act gives Medicare the power to negotiate lower prescription drug prices to reduce costs for people and save taxpayers money,” **said Senator Baldwin.** “The American Rescue Plan included a reform to reduce health insurance premiums and now we are extending tax credits for working families to prevent premium spikes and deliver lower health care costs.”

Cutting Energy Costs, Taking on the Climate Crisis, Creating Jobs

The *Inflation Reduction Act of 2022* will bring down consumer energy costs and invest American clean energy manufacturing, while substantially reducing greenhouse gas emissions to address climate change. The legislation would put the

U.S. on a path to roughly 40% emissions reduction by 2030.

The proposal lowers energy costs for Americans on electricity bills and helps consumers afford technologies that will lower emissions and energy prices. The *Inflation Reduction Act of 2022* boosts American energy security by supporting more reliable and cleaner energy production and creating American manufacturing jobs in the clean energy economy. The legislation will make historic investments in American clean energy manufacturing. In addition, the *Inflation Reduction Act of 2022* supports resilient rural communities by investing in farmers and forestland owners to be part of growing climate solutions, and by ensuring rural and communities are able to better adapt to a rapidly changing climate and the increasing extreme weather events the climate crisis brings.

“This legislation will lower energy costs, and we are finally taking bold action to confront the climate crisis. We are making investments in a Made in America clean energy economy to boost production here at home that is powered by American-made technologies and products,” **said Senator Baldwin.**