



TTAA Legislative & Regulatory Update

January 13, 2026

Congressional Update

Congress is facing a compressed timeline to complete its remaining spending work, with 17 days left to pass nine appropriations bills and avoid a partial government shutdown.

Last week, the House approved a three-bill appropriations package covering Energy and Water Development, Interior and Environment, and Commerce-Justice-State programs. The legislation advanced after internal negotiations delayed its initial consideration in the Rules Committee, where some members objected to earmarks in the Commerce-Justice-State bill and raised concerns about limited amendment opportunities. Leadership ultimately reached an agreement to remove disputed language and split the bills for floor votes. All three measures passed the House on Thursday by a vote of 397–28.

The Senate is expected to begin consideration of the House-passed package this week. Senate Democrats plan to offer amendments, including proposals related to climate research funding and U.S. policy toward Venezuela.

Separately, House and Senate appropriators have released bipartisan text for the next appropriations minibus, which includes the Financial Services–General Government and State–Foreign Operations bills. Efforts to include the Homeland Security bill were unsuccessful, and House leaders hope to bring the two-bill package to the floor this week.

Healthcare legislation also remains active. The House passed a bill extending enhanced Affordable Care Act premium tax credits for three years, with 17 Republicans joining Democrats. President Trump has called on Congress to consider alternative healthcare approaches, including directing federal funds toward health savings accounts or individual insurance purchases, and urged flexibility on abortion-related funding restrictions. Those comments drew criticism from advocacy groups and skepticism from some Republican lawmakers.

In the Senate, bipartisan discussions led by Sen. Bernie Moreno (R-OH) have focused on a possible compromise to extend ACA subsidies, including changes to enrollment periods and eligibility thresholds. Negotiations have been complicated by disagreements over abortion funding language, and the President has indicated he may veto legislation extending the subsidies.

Foreign policy tensions emerged last week when five Republican senators joined Democrats to advance a war powers resolution requiring congressional approval for additional military action in Venezuela. Further procedural votes and debate are expected, though the measure faces long odds of becoming law.

On the budget front, Republican Study Committee Chairman August Pfluger (R-TX) said the group will release a proposal this week outlining a potential second budget reconciliation package, though GOP lawmakers remain divided on pursuing another party-line bill.

In the House, Republicans hold a narrow 218–213 majority following recent vacancies. Several special elections are scheduled in the coming months in California, Texas, Georgia, and New Jersey, with outcomes expected to largely reflect existing district partisan alignments.

Both chambers returned to Washington this week. The House plans votes on a range of employment, trade, and regulatory bills, as well as additional appropriations measures. The Senate will focus on appropriations, the Venezuela resolution, and confirmation votes for administration nominees.

IRS.gov Resources Can Help Answer Questions about the OBBB

Taxpayers may be able to take advantage of new deductions that could reduce taxable income and increase refunds due to the **One, Big, Beautiful Bill**, passed by Congress in July 2025. Provisions from the new law can have a significant effect on federal taxes, credits and deductions. The legislation includes four prominent provisions for individuals: the “deduction for seniors,” “no tax on tips,” “no tax on overtime” and “no tax on car loan interest.” Taxpayers claiming these deductions should use Schedule 1-A and see the related instructions.

Find answers to tax questions

- IRS.gov/Help: A variety of resources to answer some of the most common tax questions.

- [IRS.gov/ITA](#): The Interactive Tax Assistant will ask questions and provide answers on several tax topics based on input.
- [IRS.gov/Forms](#): Find forms, instructions and publications on the most recent tax changes and interactive links for answers, including the new Schedule 1-A.
- [Publication 17](#) explains tax law to help ensure you pay only the tax you owe and no more.

Get personalized account services and quicker refunds

- Access tax information 24/7 with a secure IRS online account. An [IRS Individual Online Account](#) allows taxpayers securely to access to view tax account information, interact with the IRS, and manage payments, refunds and communications.
- Speed tax refunds with direct deposit. The IRS is [phasing out paper tax refund checks](#). Taxpayers should use [direct deposit](#) to receive tax refunds faster.

Taxpayers may have questions about taking advantage of OBBA tax provisions to lower their tax bills. [One, Big, Beautiful Bill Provisions](#) on IRS.gov provides information on the new tax law provisions and others, plus eligibility and guidance. Taxpayers can also use IRS.gov tools to learn more and get answers on how these changes could impact tax return filing.

Prepare to File in 2026: Get Ready for Tax Season - Key Updates, Essential Tips

With the 2026 filing season quickly approaching, the Internal Revenue Service is urging taxpayers to take a few simple steps now to prepare for filing their 2025 federal income tax returns. Visit [Get Ready](#) on IRS.gov for checklists, updates and no-cost filing options.

One of the most important steps taxpayers can take is to access their [IRS Individual Online Account](#). IRS Individual Online Accounts are available 24/7, to view account information, make payments, manage communication preferences and protect tax information.

Use direct deposit

Due to the presidential executive order, [Modernizing Payments To and From America's Bank Account](#) the IRS is phasing out paper tax refund checks. The IRS encourages taxpayers who do not have a bank account to open [one](#) so they can receive refunds by [direct deposit](#).

Review new 2025 tax law changes

Recent legislation, such as the provisions in the [One, Big, Beautiful Bill](#), includes several new deductions and [credits](#) that may reduce tax bills or increase refunds. Beginning in 2025, to be eligible to claim certain credits for other dependents, the taxpayer and their spouse, if filing jointly, must have valid Social Security numbers or Individual Taxpayer Identification Numbers issued on or before the due date of their returns (including extensions).

New Trump Accounts for eligible children

Parents, guardians and other authorized individuals will be able to open [Trump Accounts](#), a new retirement savings vehicle for children under the age of 18 with a valid SSN. A pilot program contribution of \$1,000 will be available for children who are U.S. citizens and born from Jan. 1, 2025, to Dec. 31, 2028. Visit [trumpaccounts.gov](#) for details.

Income from payment apps and online sales

All income from part-time work, gig activities or sales of goods and services is taxable. [Form 1099-K, Payment Card and Third Party Network Transactions](#), will be issued by payment card companies for any amount and by payment apps and online marketplaces when payments exceed \$20,000 and more than 200 transactions occur for the year.

Digital assets reporting requirements

Taxpayers who bought, sold or received digital assets, including cryptocurrency, stablecoins or NFT, must report those transactions. Some taxpayers may receive [Form 1099-DA](#) from brokers. Regardless, all taxpayers must answer the digital asset question on Form 1040 and report any related income, gains, or losses. Visit [Digital Assets](#) for more information.

