



Memorandum

TO: Tax Committee
Minerals Policy Task Force
Coal Policy Task Force

FROM: Richard Russell, Senior Vice President of Government and Political Affairs
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DATE: June 29, 2025

SUBJECT: CORRECTION W/LINKS: Senate Consideration of the Reconciliation Bill

Last night, the Senate voted 51-49 to move to consideration of H.R. 1, the One Big Beautiful Bill. Senators Rand Paul (R, Ky.) and Thom Tillis (R, N.C.) joined all the Democrats to oppose beginning debate on the bill. Following the vote, the minority objected to dispensing with the "reading of the bill," forcing the 940-page bill to be read aloud to the Senate Chamber before the debate started on the bill.

- The Senate reconciliation bill text can be found [here](#);
- The Senate Budget Committee's one-pager can be found [here](#).

The core of the reconciliation bill is an extension of various expiring tax benefits from the 2017 Tax Cuts and Jobs Act, but the package includes additional provisions reflecting President Trump's priorities and Congressional priorities. In addition, the package repeals or cuts back various provisions from the 2022 Inflation Reduction Act.

Some provisions that are of particular interest to National Mining Association (NMA) members include:

- Permanent extension of first-year expensing (bonus depreciation) for business property acquired or placed in service

on or after January 19, 2025;

- Permanent expensing for domestic research expenses for taxable years beginning after December 31, 2024. Unamortized domestic research expenses incurred between 2021 and 2025 could be deducted on an accelerated basis over a one- or two-year period;
- Permanent reinstatement of EBITDA limitation for business interest expense deduction for taxable years beginning after December 31, 2024;
- Temporary 100 percent depreciation allowance for real property used in a qualifying production activity (manufacturing, production, or refining) - generally where construction begins after January 19, 2025 and before January 1, 2029;
- Inflation Reduction Act:
 - Termination of clean vehicle credit and commercial clean vehicle credit (for vehicles acquired more than 180 days after enactment);
 - Phase out and restrictions on clean electricity production credit and clean electricity investment tax credit;
 - Disallowance of various credits for prohibited foreign entities (specified foreign entities and foreign-influenced entities), the ownership thresholds for determining foreign-influenced entity is higher in the Senate bill than it was in the House bill -- e.g., a single specified foreign entity owns at least 25 percent (Senate) vs. 10 percent (House);
 - Phase out and restrictions on advanced manufacturing production credit for producing critical minerals (Sec. 45X). The Senate bill offers a longer time frame for sunseting the credit with final year of eligibility being 2033. The credit goes through an eligibility phase out of 75 percent in 2031, 50 percent in 2032 and 25 percent in 2033. Credit is denied to specified foreign entities and foreign-influenced entities (see above re higher ownership thresholds).
 - The bill also adds metallurgical coal to the list of critical minerals under the 45X tax credit. For metallurgical coal the credit is 2.5 percent. The credit for metallurgical coal ends December 31, 2029.

- Amends the Energy Policy Act of 2005 by reforming DOE loan program to fund the development of new electricity generation as well as enhancements at existing and decommissioned energy projects. The provision also appropriates \$1 billion to the program (Page 228) to be used:
 - "for enabling the identification, leasing, development, production, processing, transportation, transmission, refining, and generation needed for energy and critical minerals."
- Expands funding for the Department of Defense for critical minerals supply chains and related industries (Page 118). Specifically, it includes \$5 billion for investments in critical minerals supply chains made pursuant to the Industrial Base Fund. It also includes \$500 million for the "Department of Defense Credit Program Account" to carry out the capital assistance program, including loans, loan guarantees, and technical assistance, for critical minerals and related industries and projects. Further, the bill appropriates an additional \$1 billion for the Defense Production Act, which will continue to support domestic mineral projects.

Next Steps

The Senate plans to debate the bill and work through a vote-arama this weekend, and likely into Monday, with the hope of passing the bill and sending it to the House of Representatives early next week. Amendment votes under a vote-arama are not limited and generally end when the minority party exhausts its desire to offer amendment. After Senate passage, House leadership hopes to pass the Senate bill without changes and send it to the President for his signature.

The National Mining Association will continue to work with the House and Senate to promote provisions in the reconciliation bill that support domestic mining.

If you have any questions, please contact Richard Russell at rrussell@nma.org, Jerry Mullins at jmullins@nma.org, or Justin Prosser at jprosser@nma.org.