



WHAT THE BIG UGLY BILL MEANS FOR YOU

CONSTRUCTION AND MANUFACTURING JOBS AXED. ENERGY BILLS SKYROCKET.



- The law **cuts 10-year tax incentives that put IBEW members to work on utility-scale solar and wind projects**, destabilizing industries that had market certainty. Under the law, tax credits for solar and wind projects will continue only if a project is either under construction by July 2026 or operational by the end of 2027. Tax credits for clean hydrogen were also prematurely nixed.
- Because of this bill's passage and other actions taken so far by this administration, **tens of thousands of good-paying union construction jobs will now vanish, the promise of thousands of manufacturing jobs will be abandoned, and crucial energy sources will be removed from an already aging, overloaded grid.**
- Adding insult to injury, President Trump also **issued an executive order (EO) that creates even more uncertainty about how the law will impact solar and wind projects.** The EO calls into question longstanding definitions of terms such as "under construction," likely delaying and ultimately canceling even more projects.
- At the same time as **hundreds of billions in wages will be lost, the cost of electricity will skyrocket.** The average family's energy bill is expected to rise by \$110 in 2026, and by as much as \$400 per year within five years.



HIGHER HEALTHCARE COSTS FOR ALL



- As a result of this law, over **16 million Americans will lose Medicaid, Children's Health Insurance (CHIP), and Medicare coverage.**
- These cuts won't just harm Medicare recipients, however. The tremendous pressure the health care system will face because of these **cuts to Medicaid is likely to undercut even the best health care plans, likely increasing out-of-pocket health care costs for IBEW families.**
- Worse, the expected closure of over 300 hospitals around the country will lead to fewer provider choices as well.





WHAT THE BIG UGLY BILL MEANS FOR YOU

NO TAX ON OVERTIME... UNTIL YOU READ THE FINE PRINT



- **The OT tax break isn't a full exemption from paying taxes! The tax break has income limits and only applies to federal taxes.** The maximum deduction is \$12,500 (or \$25,000 for joint returns).
- The amount that can be written off is reduced by \$100 for every \$1,000 a worker's income exceeds \$150,000 (or \$300,000 for joint returns).
- In addition, the deduction **only applies to overtime after 40 hours and will not apply to overtime earned under a collective bargaining agreement or required by a state law.**
- Most importantly, the deduction will not lower state, Social Security, or Medicare taxes. The deduction can be claimed "above the line" on 2025 tax returns but will never be seen in paychecks and will disappear in 2028.
- **IBEW railroaders are not eligible for ANY deductions.** This law shuts out railroaders from the overtime tax break. Yet another nonsensical oversight and promise broken.



UNION DUES DEDUCTIONS (STILL) OUT; PRIVATE JET DEDUCTION IN



- During his first administration, Trump's Tax Cuts and Jobs Act (TCJA) **eliminated deductions for union dues and other employee expenses.** The Big Beautiful Bill **DID NOT restore this deduction.**
- Along with extending tax cuts for corporations and the wealthy, the law also restores special deductions for owners of private jets, **costing taxpayers \$38 billion every year** so the ultra-wealthy can pocket more millions.

Produced by OPEIU Local 2



governmentaffairs@ibew.org



202-728-6046



900 7th Street NW
Washington, DC 20001



[IBEWGov.org](https://www.IBEWGov.org)