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## Infrastructure Bill Signed by the President

On Monday, Nov. 15, President Biden signed the [Infrastructure Investment and Jobs Act](#) into law. The Act includes key changes with respect to digital assets, like broker information reporting rules and the retroactive termination of the employee retention tax credit (ERC). Please see our prior coverage [here](#).

## IRS Announces Inflation Adjustment for 2022

The IRS has [announced](#) the annual inflation adjustments for tax year 2022. The IRS lays out the details in [Rev. Proc. 2021-45](#) for changes to over 60 tax provisions, which include: (i) increases to the standard deduction, (ii) increases to income brackets for individual tax rates, and (iii) other changes to credits, deductions, and benefits provided for in the Internal Revenue Code of 1986, as amended.

## AICPA Recommends Waiver of Penalties Related to Termination of ERC

The American Institute of CPAs (AICPA) sent a [letter](#) to the Finance and Ways and Means Committees recommending that a committee report directive be sent to the IRS and the U.S. Department of Treasury to waive any penalties and provide a reasonable, practical method for payment of unpaid employment taxes with respect to the termination of the ERC under the Infrastructure Investment and Jobs Act. The letter reasons that a retroactive sunset of the provision is confusing and doesn't leave enough time for advisers to get their clients up-to-date.

## California Updates FAQs on Pass-Through Entity Tax

The California Franchise Tax Board updated its [webpage](#) on frequently asked questions (FAQs) about its elective pass-through entity tax enacted in early 2021. The law allows certain pass-through entities (e.g., S corporations, general partnerships, and LLCs.) to elect to pay an annual tax of 9.3% on the pro rata share or distributive share of the entity's partners, shareholders, or members.



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