



Committee: House Committee on Ways & Means
Event: [Full Committee Hearing with Treasury Secretary Scott Bessent](#)
Date: June 4, 2026

Executive Summary:

On June 4, 2026, the House Ways & Means Committee hosted a hearing with Treasury Secretary **Scott Bessent**. Democrats focused on the economic harms of the administration's tariff regime and the war in Iran, while Republicans touted the impact of *One Big Beautiful Bill Act* (OBBBA), citing successes of its pro-business tax policy.

Member Toplines:

[Chair Jason Smith \(R-MO-08\)](#): Smith asserted that OBBBA has been successful, attesting to the value of the Child Tax Credit and the Trump Accounts for children. He reported that reciprocal trade agreements have secured \$10 trillion in investment commitments and emphasized that the U.S. is less dependent on China, touting the repeal of the *de minimis* privilege and a declining trade deficit. Smith asserted that tax-exempt status is a privilege, not a right, and reported that the Committee has called on the Internal Revenue Service to investigate 11 non-profits.

[Ranking Member Richard Neal \(D-MA-01\)](#): Neal reported that the current tariff regime has stunted American manufacturing and job creation while also increasing costs, which has been compounded by the war in Iran. He raised issues with President **Donald Trump's** spending, citing federal tax evasion and projects such as the White House ballroom, DC arch, and painting the reflecting pool, as Americans face an increased cost of living.

Witness Toplines:

[Scott Bessent, U.S. Treasury Secretary](#): Bessent thanked the Committee for their work on OBBBA and touted its accomplishments. He noted the President's commitments to rebuild U.S. manufacturing capacity and shrinking the trade deficit. He concluded that the administration's policies are "driving lower taxes, bigger paychecks, and broader prosperity."

Major Takeaways:

45X & FEOC

- Rep. **Darin LaHood** (R-IL-16) raised the 45X "foreign entity of concern" restrictions that were included in OBBBA, noting that despite the bill's mandate that recipients operate fully independent, domestic companies – with no reliance on Chinese entities – recent media reports have indicated that many manufacturers still depend on the active support of Chinese engineers. He asserted that this presents risk to intellectual property and asked how the Treasury is addressing "Chinese penetration."

- Secretary Bessent explained that Treasury is polling and investigating companies accordingly; he offered to have his staff follow up to provide an update on whether any investigations led to prosecution. He noted that the Federal Communications Commission also recently banned Chinese drones and routers, and also cited the value of Commerce’s connected vehicle prohibition.

Digital Service Tax (DSTs)

- LaHood raised DSTs as they pertain to Canada and asked for an update.
 - Secretary Bessent replied that the administration is pushing back on DSTs worldwide to protect the American innovation ecosystem. He added that it is being consistently raised in every trade discussion with Canada.
- Rep. **Ron Estes** (R-KS-04) reported that American businesses pay nearly \$3 billion annually in foreign DSTs, and current estimates project an additional “siphon[ing] off” of \$117 billion in tax revenue over the next 10 years. He thanked Secretary Bessent for his work in combatting DSTs.

Tariffs

- Democrats – including Ranking Member Neal and Reps. **Terri Sewell** (D-AL-07), **Linda Sánchez** (D-CA-38), **Don Beyer** (D-VA-08), **Brad Schneider** (D-IL-10), **Tom Suozzi** (D-NY-03) – used the hearing to highlight the harms of tariffs for tourism and consumers costs.
 - Rep. **Adrian Smith** (R-NE-03) expressed his appreciation for his colleagues speaking out against tariffs.
- Rep. **Jimmy Panetta** (D-CA-19) asked if any analyses have been performed on the impact of tariff volatility on small businesses, and if there would be an exclusions process for these small businesses.
 - Secretary Bessent replied that OBBBA helped small businesses.
- Rep. **Steven Horsford** (D-NV-04) asked if Americans deserve refunds for the tariffs that the U.S. Supreme Court has ruled to be illegal.
 - Secretary Bessent deferred to the Democratic Attorneys General court case and Customs & Border Protection.
 - Horsford also asked if Secretary Bessent participated in discussions about accelerating tariff refunds. He answered no, asserting that Treasury is only the payment agent.
 - Horsford promoted his RELIEF Act ([H.R. 7615](#)), which would create an automatic refund process for American consumers within 90 days of its enactment.
- Rep. **Brian Fitzpatrick** (R-PA-01) raised his Peace Through Strength Against Russia Act of 2025 ([H.R. 6856](#)), which would implement a 500 percent tariff on all imports from Russia to the U.S., as well as products from any nation that continues to purchase Russian oil and natural gas. He noted that on May 18, 2026, Treasury granted a 30-day sanction waiver on purchasing Russian seaborne oil due to Iran war supply chain disruptions. He asked about safeguards to prevent Russia from using this waiver and related profits to fund its war in Ukraine.
 - Secretary Bessent replied that a 500 percent tariff is an embargo. He defended the use of sanctions and accused the Biden administration of being weak on Russia sanctions. He explained that the waiver has helped keep global energy

prices lower and stated that any extensions going forward would be country-specific. He argued that Russia has seen “very little incremental revenue because of the waivers” as they primarily already sell to China.

Tax Expensing

- Rep. Kevin Hern (R-OK-01) asked if accelerated expensing for domestic production facilities should be extended or be made permanent to incentivize U.S. manufacturing capacity buildout.
 - Secretary Bessent answered affirmatively, asserting that increased productive capacity generates future tax revenue.
- Rep. **Mike Carey** (R-OH-15) reiterated support for the 100 percent immediate expensing for equipment machinery.

Energy Prices

- Rep. **John Larson** (D-CT-01) asked if oil and gas prices have risen due to the war in Iran.
 - Secretary Bessent answered yes.
 - However, Reps. Carey and **Jodey Arrington** (R-TX-19) both argued that gas prices were higher under the Biden administration.
- Rep. **Claudia Tenney** (R-NY-24) asserted that if New York and California were taken out of energy price averages, energy prices would “probably be substantially lower on average.”
- Reps. **Dwight Evans** (D-PA-03) and Beyer highlighted concerns regarding rising electricity prices as data center deployment continues.