

ESTIMATED REVENUE EFFECTS OF H.R. 4931,  
 THE "RETIREMENT SAVINGS SECURITY ACT OF 2002,"  
 FOR CONSIDERATION BY THE HOUSE COMMITTEE ON RULES ON JUNE 18, 2002

Fiscal Years 2002 - 2012

[Millions of Dollars]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
<b>Tax Reductions Made Permanent</b>														
<b>Individual Retirement Arrangement Provisions</b>														
1. Modification of IRA Contribution Limits - retain the maximum contribution limit for traditional and Roth IRAs at \$5,000 and index in for inflation years thereafter .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	-808	-1,846	---	-2,654
2. IRA Catch-Up Contributions - retain increase in maximum contribution limits for traditional and Roth IRAs for individuals age 50 and above by \$1,000 .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	-38	-84	---	-122
3. Deemed IRAs under employee plans .....	pyba 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
<b>Total of Individual Retirement Arrangement Provisions .....</b>		---	---	---	---	---	---	---	---	---	<b>-846</b>	<b>-1,930</b>	---	<b>-2,776</b>
<b>Provisions for Expanding Coverage</b>														
1. Increase contribution and benefit limits:														
a. Retain increase in limitation on exclusion for elective deferrals at \$15,000 in 2006 and indexed thereafter [2] [3] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-558	-840	---	-1,398
b. Retain increase in limitation on SIMPLE elective contributions at \$10,000 in 2005 and indexed thereafter [2] [3] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-50	-74	---	-124
c. Retain increase in defined benefit dollar limit at \$160,000 in 2002 and indexed thereafter .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-48	-67	---	-115
d. Lower early retirement age to 62; lower normal retirement age to 65 .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-4	-5	---	-9
e. Retain increase in annual addition limitation for defined contribution plans at \$40,000 in 2002 with indexing in \$1,000 increments thereafter [2] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-10	-16	---	-26
f. Retain increase in qualified plan compensation limit at \$200,000 in 2002 with indexing in \$5,000 increments [2] and expand availability of qualified plans to self-employed individuals who are exempt from the self-employment tax by reason of their religious beliefs .....	yba 12/31/10 & tyba 12/31/10	---	---	---	---	---	---	---	---	---	-125	-168	---	-293
g. Retain increase in limits on deferrals under deferred compensation plans of State and local governments and tax-exempt organizations at \$15,000 in 2006 and indexed thereafter [2] [3] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-95	-144	---	-239
2. Plan loans for S corporation owners, partners, and sole proprietors .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-33	-48	---	-80

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
3. Modification of top-heavy rules .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-11	-16	---	-27
4. Elective deferrals not taken into account for purposes of deduction limits .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-57	-144	---	-201
5. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations [2] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-11	-16	---	-27
6. Definition of compensation for purposes of deduction limits [2] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-2	-4	---	-5
7. Retain increase in stock bonus and profit sharing plan deduction limit at 25% [2] .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	-10	-24	---	-34
8. Option to treat elective deferrals as after-tax Roth contributions .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	118	142	---	260
9. Small business (100 or fewer employees) tax credit for new retirement plan expenses - first 3 years of the plan .....	[4]	---	---	---	---	---	---	---	---	---	-3	-7	---	-10
10. Treatment of nonresident aliens engaged in international transportation services .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	-3	-9	---	-12
<b>Total of Provisions for Expanding Coverage .....</b>		---	---	---	---	---	---	---	---	---	<b>-902</b>	<b>-1,440</b>	---	<b>-2,340</b>
<b>Provisions for Enhancing Fairness for Women</b>														
1. Additional catch-up contributions for individuals age 50 and above - retain increase in the otherwise applicable contribution limit for all plans other than SIMPLE by \$5,000 in 2006 and indexed in \$500 increments thereafter ; SIMPLE plan catch-ups would be 50% of that applicable to other plans; (nondiscrimination rules would not apply) [2] .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	-231	-355	---	-587
2. Equitable treatment for contributions of employees to defined contribution plans [2] .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-76	-115	---	-192
3. Faster vesting of certain employer matching contributions .....	cf pyba 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
4. Simplify and update the minimum distribution rules by modifying post-death distribution rules .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-1	-3	---	-4
5. Clarification of tax treatment of division of section 457 plan benefits upon divorce .....	tdapma 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
6. Modification of safe harbor relief for hardship withdrawals from 401(k) plans .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
7. Waiver of tax on nondeductible contributions for domestic or similar workers .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	[5]	-1	---	-1
<b>Total of Provisions for Enhancing Fairness for Women .....</b>		---	---	---	---	---	---	---	---	---	<b>-308</b>	<b>-474</b>	---	<b>-784</b>
<b>Provisions for Increasing Portability for Participants</b>														
1. Rollovers allowed among governmental section 457 plans, section 403(b) plans, and qualified plans .....	da 12/31/10	---	---	---	---	---	---	---	---	---	36	-5	---	31
2. Rollovers of IRAs to workplace retirement plans .....	da 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
3. Rollovers of after-tax retirement plan contributions .....	dma 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
4. Waiver of 60-day rule .....	da 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
5. Treatment of forms of qualified plan distributions .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
6. Rationalization of restrictions on distributions .....	da 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
7. Purchase of service credit in governmental defined benefit plans .....	ta 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
8. Employers may disregard rollovers for cash-out amounts .....	da 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]

Provision	Effective	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-07	2002-12
9. Minimum distribution and inclusion requirements for section 457 plans .....	da 12/31/10	---	---	---	---	---	---	---	---	---	[6]	[6]	---	[6]
<b>Total of Provisions for Increasing Portability for Participants .....</b>		---	---	---	---	---	---	---	---	---	<b>36</b>	<b>-5</b>	---	<b>31</b>
<b>Provisions for Strengthening Pension Security and Enforcement</b>														
1. Retain repeal of 160% of current liability funding limit; extend maximum deduction rule .....	pyba 12/31/10	---	---	---	---	---	---	---	---	---	-22	-45	---	-67
2. Excise tax relief for sound pension funding .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	[5]	-3	---	-3
3. Notice of significant reduction in plan benefit accruals .....	pateo/a 1/1/11	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
4. Repeal 100% of compensation limit for multiemployer plans .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	-2	-5	---	-7
5. Modification of section 415 aggregation rules for multiemployer plans .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	[5]	-1	---	-1
6. Investment of employee contributions in 401(k) plans .....	aiii TRA'97	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
7. Prohibited allocations of stock in an ESOP S corporation .....	[7]	---	---	---	---	---	---	---	---	---	6	11	---	17
8. Automatic rollovers of certain mandatory distributions .....	dma frap	---	---	---	---	---	---	---	---	---	-9	-35	---	-44
9. Clarification of treatment of contributions to multiemployer plans .....	yea 1/1/11	---	---	---	---	---	---	---	---	---	---	-2	---	-2
<b>Total of Provisions for Strengthening Pension Security and Enforcement .....</b>		---	---	---	---	---	---	---	---	---	<b>-27</b>	<b>-80</b>	---	<b>-107</b>
<b>Provisions for Reducing Regulatory Burdens</b>														
1. Modification of timing of plan valuations .....	pyba 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
2. ESOP dividends may be reinvested without loss of dividend deduction .....	tyba 12/31/10	---	---	---	---	---	---	---	---	---	-41	-80	---	-121
3. Repeal transition rule relating to certain highly compensated employees .....	pyba 12/31/10	---	---	---	---	---	---	---	---	---	-3	-5	---	-8
4. Employees of tax-exempt entities [8] .....	1/1/11	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
5. Treatment of employer-provided retirement advice .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	[1]	[1]	---	[1]
6. Repeal of multiple use test .....	yba 12/31/10	---	---	---	---	---	---	---	---	---	[6]	[6]	---	[6]
<b>Total of Provisions for Reducing Regulatory Burdens .....</b>		---	---	---	---	---	---	---	---	---	<b>-44</b>	<b>-85</b>	---	<b>-129</b>
<b>NET TOTAL .....</b>		---	---	---	---	---	---	---	---	---	<b>-2,091</b>	<b>-4,014</b>	---	<b>-6,105</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

aiii TRA'97 = as if included in the Taxpayer Relief Act of 1997  
 cf = contributions for  
 da = distributions after  
 DOE = date of enactment  
 dma = distributions made after

dma = disclosures made after  
 frap = Federal regulations are prescribed  
 pateo/a = plan amendments taking effect on or after  
 pea = plans established after  
 pyba = plan years beginning after

ta = transfers after  
 tdapma = transfers, distributions, and payments made after  
 tyba = taxable years beginning after  
 yba = years beginning after  
 yea = years ending after

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**Footnotes for JCX-70-02:**

- [1] Negligible revenue effect.
- [2] Provision includes interaction with other provisions in Provisions for Expanding Coverage.
- [3] Provision includes interaction with the Individual Retirement Arrangement Provisions.
- [4] Effective for costs paid or incurred in taxable years beginning after December 31, 2010, with respect to qualified employer plans established after such date.
- [5] Loss of less than \$500,000.
- [6] Considered in other provisions.
- [7] Generally effective with respect to years beginning after December 31, 2010.
- [8] Directs the Secretary of the Treasury to modify rules through regulations.