

ESTIMATED REVENUE EFFECTS OF AN AMENDMENT TO S. 1415,  
 AS AGREED TO BY THE SENATE COMMITTEE ON FINANCE ON MAY 14, 1998

Fiscal Years 1998 - 2007

[Billions of Dollars]

Provision	Effective	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1998-02	2003-07
1. Increase cigarette excise taxes (\$0.50 in 1999, \$1.00 in 2000, and \$1.50 in 2001 and thereafter) with proportional increases in other tobacco products; index all tobacco excise taxes to CPI beginning 1/1/02.....	1/1/99	---	6.0	11.3	15.1	15.6	15.7	16.1	16.7	17.3	18.0	48.0	83.8
2. New non-deductible penalty excise tax for failure to meet underage smoking reduction goals (no abatement relief) [1].....	tyba 12/31/02	---	---	---	---	---	---	0.1	0.1	2.0	1.3	---	3.5
3. Require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies:													
a. Federal outlays [2].....	1/1/99	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	-0.1
b. Tax receipts.....	1/1/99	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	-0.1
c. Net budget effect.....	---	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	-0.1	-0.1
<b>NET TOTAL .....</b>		---	6.0	11.3	15.1	15.6	15.7	16.2	16.8	19.3	19.3	47.9	87.2
Estimated Excise Tax Rate Increase Per Pack [4].....		---	\$0.50	\$1.00	\$1.50	\$1.55	\$1.61	\$1.66	\$1.72	\$1.78	\$1.84		

Joint Committee on Taxation

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

Legend for "Effective" column: tyba = taxable years beginning after

- [1] Estimate is presented net of reduced excise tax receipts that result from passing the penalty excise tax payments through in tobacco prices.
- [2] Negative numbers indicate Federal outlays will increase. Estimate provided by the Congressional Budget Office.
- [3] Loss of less than \$50 million.
- [4] Presented on a calendar year basis and without regard to look-back assessments.