

**ESTIMATED REVENUE EFFECTS OF H.R. 1102,  
THE "RETIREMENT SECURITY AND SAVINGS ACT OF 2000,"  
INCLUDING CONGRESSIONAL BUDGET ACT SUNSET FOR YEARS AFTER DECEMBER 31, 2004,  
AS ORDERED REPORTED BY THE COMMITTEE ON FINANCE ON SEPTEMBER 7, 2000**

Fiscal Years 2001 - 2010

[Millions of Dollars]

Provision	Effective	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-05	2001-10
<b>Individual Retirement Arrangement Provisions</b>													
1. Modification of IRA Contribution Limits - increase the maximum contribution limit for traditional and Roth IRAs to: \$3,000 in 2001, \$4,000 in 2002, \$5,000 in 2003, and index for inflation thereafter .....	tyba 12/31/00	-395	-1,194	-2,013	-2,726	-2,050	-1,088	-1,113	-1,135	-1,155	-1,173	-8,378	-14,042
2. Increase AGI limits for deductible IRA contributions, including for married filing separately .....	tyba 12/31/00	-103	-357	-475	-411	-199	-17	-13	-8	-1	[1]	-1,544	-1,584
3. Increase maximum contribution limits for IRAs for individuals age 50 and above by 50% .....	yba 12/31/00	-178	-305	-236	-214	-135	-59	-58	-56	-54	-53	-1,068	-1,348
4. Increase income limits for contributions to Roth IRAs for joint filers to twice the limits for single filers.....	tyba 12/31/00	-9	-54	-128	-216	-301	-343	-350	-354	-358	-361	-709	-2,475
5. Deemed IRAs under employer plans .....	tyba 12/31/01	----- Negligible Revenue Effect -----											
6. Allow tax-free withdrawals from IRAs for charitable purposes .....	tyba 12/31/00	-168	-340	-347	-416	-259	-37	-38	-38	-39	-40	-1,530	-1,722
7. Increase the income limit for conversions of an IRA to a Roth IRA to \$200,000 for joint filers .....	tyba 12/31/00	400	1,046	719	166	-675	-1,185	-954	-553	-128	-135	1,656	-1,298
<b>Total of Individual Retirement Arrangement Provisions .....</b>		<b>-453</b>	<b>-1,204</b>	<b>-2,480</b>	<b>-3,817</b>	<b>-3,619</b>	<b>-2,729</b>	<b>-2,526</b>	<b>-2,144</b>	<b>-1,735</b>	<b>-1,762</b>	<b>-11,573</b>	<b>-22,469</b>
<b>Provisions for Expanding Coverage</b>													
1. Increase contribution and benefit limits:													
a. Increase limitation on exclusion for elective deferrals to: \$11,000 in 2001, \$12,000 in 2002, \$13,000 in 2003, \$14,000 in 2004, and \$15,000 in 2005; index thereafter [2] [3] .....	yba 12/31/00	-130	-310	-452	-557	-235	-84	-82	-79	-75	-71	-1,684	-2,075
b. Increase limitation on SIMPLE elective contributions to: \$7,000 in 2001, \$8,000 in 2002, \$9,000 in 2003, and \$10,000 in 2004; index thereafter [2] [3] .....	yba 12/31/00	-4	-14	-21	-26	-11	-4	-4	-4	-3	-3	-76	-94
c. Increase defined benefit dollar limit to \$160,000 .....	yba 12/31/00	-18	-31	-40	-45	-14	---	---	---	---	---	-148	-148
d. Lower early retirement age to 62; lower normal retirement age to 65 .....	yba 12/31/00	-3	-4	-4	-4	-1	---	---	---	---	---	-17	-17
e. Increase indexing on limitation for defined contribution plans in \$1,000 increments [2] .....	yba 12/31/00	---	-2	-4	-5	-2	-1	-1	-1	-1	-1	-13	-16
f. Increase qualified plan compensation limit to \$200,000 [2] .....	yba 12/31/00	-43	-74	-84	-91	-40	-17	-16	-16	-15	-14	-333	-410

Provision	Effective	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-05	2001-10
g. Increase limits on deferrals under deferred compensation plans of State and local governments and tax-exempt organizations to: \$11,000 in 2001, \$12,000 in 2002, \$13,000 in 2003, \$14,000 in 2004, and \$15,000 in 2005; index thereafter [2] [3] .....	yba 12/31/00	-52	-91	-104	-114	-50	-20	-20	-19	-18	-17	-410	-503
2. Plan loans for subchapter S owners, partners, and sole proprietors .....	pa 12/31/00	-18	-30	-33	-35	-12	-2	-2	-2	-2	-2	-128	-138
3. Modification of top-heavy rules .....	yba 12/31/00	-4	-9	-11	-12	-5	-2	-2	-2	-2	-2	-41	-50
4. Elective deferrals not taken into account for purposes of deduction limits .....	yba 12/31/00	-40	-75	-87	-94	-51	-22	-21	-20	-19	-20	-324	-426
5. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations .....	yba 12/31/00	-16	-22	-22	-22	-10	-4	-4	-4	-4	-3	-92	-110
6. Definition of compensation for purposes of deduction limits [2] .....	yba 12/31/00	-1	-2	-3	-3	-2	-1	-1	-1	-1	[1]	-11	-15
7. Increase stock bonus and profit sharing plan deduction limit from 15% to 25% .....	tyba 12/31/00	-6	-12	-14	-15	-8	-3	-3	-3	-3	-3	-51	-66
8. Option to treat elective deferrals as after-tax contributions .....	tyba 12/31/00	50	100	131	144	-73	-169	-171	-172	-171	-170	352	-500
9. Nonrefundable credit to certain individuals for elective deferrals and IRA contributions .....	tyba 12/31/00	-911	-2,052	-1,994	-1,947	-1,111	-72	-65	-64	-64	-62	-8,016	-8,344
10. Small business (50 or fewer employees) tax credit for new qualified retirement plan contributions - first 3 years of the plan .....	[4]	-43	-264	-580	-895	-728	-601	-599	-582	-552	-510	-2,511	-5,355
11. Small business (100 or fewer employees) tax credit for new retirement plan expenses .....	[4]	-22	-31	-33	-32	-28	-19	-9	-2	-1	---	-146	-177
<b>Total of Provisions for Expanding Coverage .....</b>		<b>-1,261</b>	<b>-2,923</b>	<b>-3,355</b>	<b>-3,753</b>	<b>-2,381</b>	<b>-1,021</b>	<b>-1,000</b>	<b>-971</b>	<b>-931</b>	<b>-878</b>	<b>-13,649</b>	<b>-18,444</b>
<b>Provisions for Enhancing Fairness for Women</b>													
1. Additional catch-up contributions for individuals age 50 and above - increase maximum contribution limits for pension plans by 10% annually beginning in 2001, not to exceed 50% .....	yba 12/31/00	-8	-23	-39	-57	-24	-7	-7	-6	-6	-5	-151	-181
2. Equitable treatment for contributions of employees to defined contribution plans [2] .....	yba 12/31/00	-51	-78	-84	-91	-40	-17	-16	-16	-15	-14	-344	-421
3. Faster vesting of certain employer matching contributions .....	pyba 12/31/00	----- Negligible Revenue Effect -----											
4. Simplify and update the minimum distribution rules - modify post-death distribution rules, reduce the excise tax on failures to make minimum distributions to 10%, and direct the Treasury to simplify and finalize regulations relating to the minimum distribution rules .....	yba 12/31/00	-118	-212	-239	-268	-107	-39	-36	-34	-32	-30	-944	-1,115
5. Clarification of tax treatment of division of section 457 plan benefits upon divorce .....	tdapma 12/31/00	----- Negligible Revenue Effect -----											
6. Modification of safe harbor relief for hardship withdrawals from 401(k) plans; modify definition of hardship for rollover purposes .....	yba 12/31/00	----- Negligible Revenue Effect -----											

Provision	Effective	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-05	2001-10
7. Eliminate the excise tax on employers who make nondeductible contributions to SIMPLE plans on behalf of domestic and similar workers .....	tyba 12/31/00	[1]	[1]	-1	-3	-4	-5	-5	-5	-5	-5	-8	-35
<b>Total of Provisions for Enhancing Fairness for Women .....</b>		<b>-177</b>	<b>-313</b>	<b>-363</b>	<b>-419</b>	<b>-175</b>	<b>-68</b>	<b>-64</b>	<b>-61</b>	<b>-58</b>	<b>-54</b>	<b>-1,447</b>	<b>-1,752</b>
<b>Provisions for Increasing Portability for Participants</b>													
1. Rollovers allowed among governmental section 457 plans, section 403(b) plans, and qualified plans .....	dma 12/31/01	---	27	-5	-5	-35	-2	-2	-1	-1	-1	-18	-25
2. Rollovers of IRAs to workplace retirement plans .....	dma 12/31/01	----- Negligible Revenue Effect -----											
3. Rollovers of after-tax retirement plan contributions .....	dma 12/31/01	----- Negligible Revenue Effect -----											
4. Waiver of 60-day rule .....	dma 12/31/00	----- Negligible Revenue Effect -----											
5. Treatment of forms of qualified plan distributions .....	yba 12/31/00	----- Negligible Revenue Effect -----											
6. Rationalization of restrictions on distributions .....	da 12/31/00	----- Negligible Revenue Effect -----											
7. Purchase of service credit in governmental defined benefit plans .....	ta 12/31/00	----- Negligible Revenue Effect -----											
8. Employers may disregard rollovers for cash-out amounts .....	da 12/31/00	----- Negligible Revenue Effect -----											
9. Minimum distribution and inclusion requirements for section 457 plans .....	da 12/31/00	----- Considered in Other Provisions -----											
<b>Total of Provisions for Increasing Portability for Participants .....</b>		<b>--</b>	<b>27</b>	<b>-5</b>	<b>-5</b>	<b>-35</b>	<b>-2</b>	<b>-2</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-18</b>	<b>-25</b>
<b>Provisions for Strengthening Pension Security and Enforcement</b>													
1. Phase in repeal of 155% of current liability funding limit; extend maximum deduction rule .....	pyba 12/31/00	---	-14	-20	-36	-9	---	---	---	---	---	-79	-79
2. Excise tax relief for sound pension funding .....	yba 12/31/00	-2	-3	-3	-3	-1	---	---	---	---	---	-12	-12
3. Notice of significant reduction in plan benefit accruals and wear-away prevention .....	pateo/a DOE	-1	-4	-7	-9	-2	---	---	---	---	---	-23	-23
4. Modification of section 415 aggregation rules for multiemployer plans .....	yba 12/31/00	-1	-1	-1	-1	[1]	---	---	---	---	---	-4	-4
5. Repeal 100% of compensation limit for multiemployer plans .....	yba 12/31/00	-2	-4	-4	-4	-2	---	---	---	---	---	-16	-16
6. Investment of employee contributions in 401(k) plans .....	aiii TRA'97	----- Negligible Revenue Effect -----											
7. Periodic pension benefit statements .....	pyba 12/31/00	----- No Revenue Effect -----											
8. Prohibited allocations of stock in an ESOP of an S corporation .....	[5]	1	4	5	6	2	---	---	---	---	---	18	18
9. Amendments to the SAVER Act .....	DOE	----- No Revenue Effect -----											
<b>Total of Provisions for Strengthening Pension Security and Enforcement .....</b>		<b>-5</b>	<b>-22</b>	<b>-30</b>	<b>-47</b>	<b>-12</b>	<b>[6]</b>	<b>[6]</b>	<b>[6]</b>	<b>[6]</b>	<b>[6]</b>	<b>-116</b>	<b>-116</b>
<b>Provisions for Reducing Regulatory Burdens</b>													
1. Modification of timing of plan valuations .....	pyba 12/31/00	----- Negligible Revenue Effect -----											
2. ESOP dividends may be reinvested without loss of dividend deduction .....	tyba 12/31/00	-19	-44	-56	-61	-31	---	---	---	---	---	-211	-211
3. Repeal transition rule relating to certain highly compensated employees .....	pyba 12/31/00	-2	-3	-3	-3	-1	-1	[1]	[1]	[1]	[1]	-12	-14
4. Employees of tax-exempt entities [7] .....	DOE	----- Negligible Revenue Effect -----											

Provision	Effective	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-05	2001-10
5. Treatment of employer-provided retirement advice .....	tyba 12/31/00	----- Negligible Revenue Effect -----											
6. Pension plan reporting simplification [7] .....	DOE	----- Negligible Revenue Effect -----											
7. Improvement to Employee Plans Compliance Resolution System [7] .....	DOE	----- Negligible Revenue Effect -----											
8. Repeal of the multiple use test .....	yba 12/31/00	----- Considered in Other Provisions -----											
9. Flexibility in nondiscrimination, coverage, and line of business rules [7] .....	DOE	----- Negligible Revenue Effect -----											
10. Extension to all governmental plans of moratorium on application of certain nondiscrimination rules applicable to State and local government plans .....	pyba 12/31/00	----- Negligible Revenue Effect -----											
11. Notice and consent period regarding distributions .....	yba 12/31/00	----- No Revenue Effect -----											
12. Annual report dissemination .....	yba 12/31/99	----- No Revenue Effect -----											
<b>Total of Provisions for Reducing Regulatory Burdens .....</b>		<b>-21</b>	<b>-47</b>	<b>-59</b>	<b>-64</b>	<b>-32</b>	<b>-1</b>	<b>[1]</b>	<b>[1]</b>	<b>[1]</b>	<b>[1]</b>	<b>-223</b>	<b>-225</b>
<b>Provisions Relating to Plan Amendments .....</b>	<b>DOE</b>	<b>----- No Revenue Effect -----</b>											
<b>Congressional Budget Act Sunset of the "Retirement Security and Savings Act of 2000" for Years Beginning After 12/31/04 .....</b>	<b>DOE</b>	<b>----- Considered in Each Individual Provision -----</b>											
<b>NET TOTAL .....</b>		<b>-1,917</b>	<b>-4,482</b>	<b>-6,292</b>	<b>-8,105</b>	<b>-6,254</b>	<b>-3,821</b>	<b>-3,592</b>	<b>-3,177</b>	<b>-2,725</b>	<b>-2,695</b>	<b>-27,026</b>	<b>-43,031</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
- da = distributions after
- dma = distributions made after
- DOE = date of enactment
- pa = periods after
- pateo/a = plan amendments taking effect on or 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

- [1] Loss of less than \$500,000.
- [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 taxable years beginning after 12/31/00, with respect to plans established after such date.
- [5] Generally effective with respect to years beginning after December 31, 2001. In the case of an ESOP established after July 11, 2000, or an ESOP established on or before such date if the employer maintaining the plan was not an S corporation on such date, the proposal would be effective with respect to plan years ending after July 11, 2000.
- [6] Negligible revenue effect.
- [7] Directs the Secretary of the Treasury to modify rules through regulations.