

ESTIMATED REVENUE EFFECTS OF THE TAX AND PENSION PROVISIONS CONTAINED IN THE CONFERENCE AGREEMENT FOR
 H.R. 3108, THE "PENSION FUNDING EQUITY ACT OF 2004" [1]

Fiscal Years 2004 - 2013

[Millions of Dollars]

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
1. Temporary replacement of interest rate used for purposes of pension funding and PBGC variable rate premiums for 2004 and 2005; employers may elect whether to use temporary replacement interest rate in applying deduction limits; allow the use of 5.5% for purposes of applying section 415 to lump sums in 2004 and 2005 [2]	pyba 12/31/03	3,299	5,563	1,247	-1,261	-1,004	-2,216	-2,737	-1,888	-1,160	-828	7,845	-985
2. Partially waive deficit reduction contributions for 2 years for plans of certain employers not subject to the deficit reduction contributions rules in 2000; additional required contribution would generally be the greater of: (1) 20 percent of the otherwise applicable additional contribution or (2) the amount of the excess, if any, of (i) the expected increase in current liability due to current year accruals, over (ii) the regular funding contribution for the year; applies to passenger airlines, steel and iron ore pellets industries, and a certain tax-exempt organization (sunset plan years beginning after 12/27/05) [2] [3]	pyba 12/27/03	14	44	32	-46	-72	-47	-31	-33	-28	-20	-29	-187
3. Multiemployer plan funding notices [4]	pyba 12/31/04	----- No Revenue Effect -----											
4. Provide deferral for up to 2 years of up to 80% of certain charges to funding standard account of eligible multiemployer plans; applies to charges attributable to net experience loss for first plan year beginning after 12/31/01, that would otherwise be made for plan years beginning after 6/30/03, and before 7/1/05.....	DOE	1	4	3	-5	-4	[5]	[5]	[5]	[5]	[5]	-1	-1
5. 2-year extension of transition rule to pension funding requirements	pyba 12/31/03	2	6	2	-3	-2	-2	-2	-1	-1	[6]	5	-1
6. Procedures applicable to disputes involving pension plan withdrawal liability [7]	[8]	----- Negligible Revenue Effect -----											
7. Limit 501(c)(15) to organizations with gross receipts of \$600,000 and premiums at least 50% of gross receipts; and to mutual insurance companies with gross receipts less than \$150,000 and premium income at least 35% of gross receipts; and modify definition of insurance company. Transition relief for insurance companies in receivership or liquidation on April 1, 2004, limited to lesser of four years or time spent in receivership.....	tyba 12/31/03	47	105	118	120	127	134	137	141	146	152	517	1,228

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
8. Repeal of section 809 related to the reduction in policyholder dividends.....	tyba 12/31/04	---	-25	-33	-43	-47	-43	-38	-39	-39	-39	-148	-347
9. Sense of Congress.....	DOE	----- No Revenue Effect -----											
10. Allow employers to transfer excess defined benefit plan assets to a special account for health benefits of retirees (sunset 12/31/13).....	DOE	---	---	18	38	40	40	40	40	40	40	97	298
NET TOTAL		3,363	5,697	1,387	-1,200	-962	-2,134	-2,631	-1,780	-1,042	-695	8,286	5

Joint Committee on Taxation

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

Legend for "Effective" column:

DOE = date of enactment

pyba = plan years beginning after

tyba = taxable years beginning after

- [1] The conference agreement also contains a provision relating to the antitrust status of graduate medical resident matching programs.
- [2] Estimate does not include the effects on PBGC variable rate premiums which are the responsibility of the Congressional Budget Office.
- [3] Provision includes interaction with item 1.
- [4] Provision provides penalty assessable by the Department of Labor for failure to provide notice.
- [5] Negligible revenue effect.
- [6] Loss of less than 500,000.
- [7] Estimate does not include the effects on PBGC which are the responsibility of the Congressional Budget Office.
- [8] Provision applies to any employer that receives a notification under Section 4219(b)(1) of ERISA after October 31, 2003.