

JOINT COMMITTEE ON TAXATION
October 22, 1997
JCX-64-97

**ESTIMATED REVENUE EFFECTS OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 2676,
THE "INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997"**

Fiscal Years 1998 - 2002

[Millions of Dollars]

Provision	Effective	1998	1999	2000	2001	2002	1998-02
I. Executive Branch Governance.....		No Revenue Effect					
II. Electronic Filing.....		No Revenue Effect					
III. Taxpayer Bill of Rights 3							
1. Burden of Proof.....	aca DOE	-80	-166	-174	-183	-192	-795
2. Expansion of authority to award costs and certain fees.....	180da DOE	-8	-10	-11	-12	-13	-54
3. Civil damages for negligence in collection actions.....	DOE	-2	-15	-25	-50	-30	-122
4. Increase in size of cases permitted on small case calendar.....	pca DOE	No Revenue Effect					
5. Innocent spouse relief.....	tyba DOE	---	---	-5	-12	-14	-31
6. Suspension of statute of limitations on filing refund claims during periods of disability.....	tyoea 1/1/98	-40	-50	-25	-15	-16	-146
7. Elimination of interest rate differential on overlapping periods of interest on income tax overpayments and underpayments.....	cqba DOE	-1	-9	-28	-42	-54	-134
8. Increase refund interest rate to Applicable Federal Rate ("AFR") + 3 for individual taxpayers.....	cqba DOE	-49	-51	-54	-56	-59	-269
9. Privilege of confidentiality extended to taxpayer's dealings with non-attorneys authorized to practice before Internal Revenue Service.....	DOE	[1]	[1]	[1]	[1]	[1]	[2]
10. Expansion of authority to issue taxpayer assistance orders.....	DOE	[1]	[1]	[1]	[1]	[1]	[2]

Provision	Effective	1998	1999	2000	2001	2002	1998-02
11. Limitation on financial status audits.....	DOE	----- Negligible Revenue Effect -----					
12. Limitation on authority to require production of computer source code.....	si 90da DOE	[1]	[1]	[1]	[1]	[1]	[2]
13. Procedures relating to extensions of statute of limitations by agreement.....	DOE	----- No Revenue Effect -----					
14. Offers-in-compromise.....	DOE	----- No Revenue Effect -----					
15. Notice of deficiency to specify deadlines for filing Tax Court petition.....	12/31/98	----- Negligible Revenue Effect -----					
16. Refund or credit of overpayments before final determination.....	DOE	----- Negligible Revenue Effect -----					
17. Prohibition on improper threat of audit activity.....	DOE	----- No Revenue Effect -----					
18. Explanation of joint and several liability.....	180da DOE	----- No Revenue Effect -----					
19. Explanation of taxpayers' rights in interviews with the Internal Revenue Service.....	180da DOE	-13	[4]	[4]	[4]	[4]	-16
20. Disclosure of criteria for examination selection.....	180da DOE	----- No Revenue Effect -----					
21. Explanations of appeals and collection process.....	180da DOE	----- No Revenue Effect -----					
22. Low-income taxpayer clinics.....	DOE	----- No Revenue Effect -----					
23. Estates holding closely-held businesses.....	DOE	----- Negligible Revenue Effect -----					
24. Cataloging complaints.....	DOE	----- No Revenue Effect -----					
25. Archive of records of Internal Revenue Service.....	DOE	----- No Revenue Effect -----					
26. Payment of taxes [5].....	DOE	----- No Revenue Effect -----					
27. Clarification of authority of Secretary relating to the making of elections.....	DOE	----- No Revenue Effect -----					
28. Failure to pay penalty capped at 9.5% for individuals (installment agreements only).....	DOE	-176	-198	-209	-220	-231	-1,034
29. Study of penalty administration.....	9ma DOE	----- No Revenue Effect -----					
30. Study of confidentiality of tax return information.....	1ya DOE	----- No Revenue Effect -----					
Subtotal of Title III.....		-378	-509	-541	-600	-619	-2,646
IV. Congressional Accountability for the Internal Revenue Service.....		----- No Revenue Effect -----					

Provision	Effective	1998	1999	2000	2001	2002	1998-02
V. Revenue Offset							
1. Clarify deduction for accrued vacation pay.....	tyea 10/8/97	705	1,111	584	120	126	2,646
NET TOTAL		327	602	43	-480	-493	---

Joint Committee on Taxation

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

Legend for "Effective" column:

aca = audits commencing after
cqba = calendar quarters beginning after
DOE = date of enactment
pca = proceedings commencing after
si = summaries issued
tyba = taxable years beginning after

tyea = taxable years ending after
tyoea = taxable years open or ending on or after
1ya = 1 year after
9ma = 9 months after
90da = 90 days after
180da = 180 days after

- [1] Loss of less than \$5 million.
- [2] Loss of less than \$25 million.
- [3] Loss of less than \$50 million.
- [4] Loss of less than \$1 million.
- [5] Estimate provided by the Congressional Budget Office.