JOINT COMMITTEE ON TAXATION August 2, 2012 JCX-70-12

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MARK AS MODIFIED TO THE PROVISIONS OF THE "FAMILY AND BUSINESS TAX CUT CERTAINTY ACT OF 2012," SCHEDULED FOR MARK UP BY THE SENATE COMMITTEE ON FINANCE ON AUGUST 2, 2012

Fiscal Years 2013 - 2022

[Millions of Dollars]

Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-2
Individual Proposals													
1. Increase AMT exemption amount to \$50,600 (\$78,750) in 2012 and \$51,150 (\$79,850) in 2013 and allow percend and its against the AMT (current													
and allow personal credits against the AMT (sunset 12/31/13)	tyba 12/31/11	-104,099	-37,448	9,308								-132,240	-132,2
2. Above-the-line deduction of up to \$250 for	tyba 12/31/11	-104,099	-37,440	9,508								-132,240	-132,2
teacher classroom expenses (sunset 12/31/13)	tyba 12/31/11	-273	-189									-462	-4
3. Discharge of indebtedness on principal residence	tyba 12/51/11	215	107									402	-
excluded from gross income of individuals (sunset													
12/31/13)	doioa 12/31/12	-199	-1,128									-1,327	-1,
4. Parity for exclusion for employer-provided mass			, -									, - · ·	,
transit and parking benefits (sunset 12/31/13) [1]	ma 12/31/11	-218	-53									-271	-
5. Premiums for mortgage insurance deductible as													
interest that is qualified residence interest													
(sunset 12/31/13)	apoaa 12/31/11	-791	-506									-1,297	-1,
6. Deduction for State and local general sales taxes													
(sunset 12/31/13)	tyba 12/31/11	-1,641	-2,393	-325								-4,359	-4,
7. Contributions of capital gain real property made for	cmi												
qualified conservation purposes (sunset 12/31/13)	tyba 12/31/11	-82	-50	-11	-2	-7	-20	-26	-21	-19	-17	-152	-
8. Deduction for qualified tuition and related													
expenses (sunset 12/31/13)	tyba 12/31/11	-2,323	-1,893									-4,217	-4,
9. Tax-free distributions from IRAs to certain public													
charities for individuals age 70 1/2 or older, not to													
exceed \$100,000 per taxpayer per year (sunset													
12/31/13)	dmi tyba 12/31/11	-594	-283	-41	-43	-46	-49	-51	-55	-58	-61	-1,006	-1,
10. Disclosure of prisoner return information to												-	
certain prison officials	dma DOE	1	1	1	1	1	1	1	1	1	1	5	
11. Refunds disregarded in the administration of													
Federal programs and Federally assisted programs	12/21/12	2										2	
(sunset 12/31/13) [2]	ara 12/31/12	-2										-2	

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Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
II. Business Proposals													
1. Extend and modify tax credit for research and													
experimentation expenses (sunset 12/31/13)	apoia 12/31/11	-6,232	-1,989	-1,077	-947	-834	-736	-670	-638	-617	-584	-11,079	-14,324
2. Indian employment tax credit (sunset 12/31/13)	tyba 12/31/11	-69	-38	-11	-1							-119	-119
3. New markets tax credit (\$3.5 billion allocation in													
2012 and 2013) (sunset 12/31/13)	cyba 12/31/11	-5	-27	-90	-171	-221	-252	-279	-288	-267	-194	-514	-1,794
4. 50% tax credit for certain expenditures for	epoid												
maintaining railroad tracks (sunset 12/31/13)	tyba 12/31/11	-232	-99	[3]								-331	-331
5. Mine rescue team training credit (sunset													
12/31/13)	tyba 12/31/11	-1	-2	-1	[3]	[3]	[3]					-5	-5
6. Employer wage credit for activated military	-												
reservists (sunset 12/31/13)	pma 12/31/11	-3	-3	-1	[3]							-7	-7
7. Work opportunity tax credit:	-												
a. Work opportunity tax credit (sunset 12/31/13)	wpoifibwa 12/31/11	-894	-533	-199	-84	-45	-17	-2				-1,755	-1,773
b. Work opportunity tax credit for qualified	•												
veterans (sunset 12/31/13)	wpoifibwa 12/31/12	-53	-40	-20	-6	-4	-2	[3]				-123	-125
8. Qualified zone academy bonds (\$400 million	•												
allocation in 2012 and 2013) (sunset 12/31/13)	oia 12/31/11	-3	-8	-16	-24	-29	-31	-31	-31	-31	-31	-80	-235
9. 15-year straight-line cost recovery for qualified													
leasehold, restaurant, and retail improvements and													
new restaurants (sunset 12/31/13)	ppisa 12/31/11	-277	-371	-416	-411	-401	-388	-383	-378	-361	-331	-1,876	-3,717
10. Accelerated depreciation for business property	11												
on Indian reservations (sunset 12/31/13)	ppisa 12/31/11	-12	-18	-20	-20	-20	-20	-20	-20	-20	-20	-91	-193
11. Enhanced charitable deduction for contributions	11												
of food inventory (sunset 12/31/13)	cma 12/31/11	-218	-96									-314	-314
12. Increase in section 179 expensing amounts and													
threshold limits \$500,000/\$2,000,000 (sunset													
12/31/13) [4]	tyba 12/31/12	-8,088	-4,042	3,129	2,022	1,526	1,191	777	500	350	283	-5,453	-2,352
13. Election to expense mine safety equipment (sunset		- ,	y -	-, -	y -	,	, -					- ,	y
12/31/13)	ppisa 12/31/11	-27	1	7	5	4	4	3	2	1		-9	
14. Special expensing rules for certain film and	II ····												
television productions (sunset 12/31/13)	qfatpca 12/31/11	-266	-164	45	38	32	24	16	11	9	7	-315	-248
15. Deduction allowable with respect to income	1												
attributable to domestic production activities in													
Puerto Rico (sunset 12/31/13)	tyba 12/31/11	-236	-122									-358	-358
16. Treatment of certain dividends of RICs	.,												
(sunset 12/31/13)	[5]	-124	-27									-151	-151
17. Extend the treatment of RICs as "qualified	(- J		=,										
investment entities" under section 897 (FIRPTA)													
(sunset 12/31/13)	1/1/12	-48	-12									-60	-60
(341301 12/01/10)	1/ 1/ 12	10	12									00	00

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Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
18. Exception under subpart F for active financing													
income (sunset 12/31/13)	tyba 12/31/11	-9,399	-1,826									-11,225	-11,225
19. Special rules applicable to qualified small	saa 12/31/11	6	7			-15	-212	-694	-27	-10	-9	-3	-954
business stock (sunset 12/31/13) 20. Look-through treatment of payments between	saa 12/31/11	0	/			-15	-212	-094	-27	-10	-9	-3	-934
related CFCs under foreign personal holding													
company income rules (sunset 12/31/13)	tyba 2011	-1,199	-304									-1,503	-1,503
21. Empowerment zone tax incentives (sunset	2												
12/31/13)	tyba 12/31/11	-360	-44	-23	-11	-5	-1	-1	-2	-2	-2	-442	-450
22. Basis adjustment to stock of S corporations making charitable contributions of property													
(sunset 12/31/13)	cmi tyba 12/31/11	-93	-50	-10	-11	-10	-10	-10	-10	-10	-10	-174	-224
23. Reduction in recognition period for S corporation													
built-in gains tax (sunset 12/31/13)	tyba 12/31/11	-184	-73	1	1	1	1	1	1	1		-255	-251
24. New York Liberty Zone tax-exempt bond												•	10
financing (sunset 12/31/13)	bia 12/31/11	-6	-6	-6	-6	-6	-6	-6	-6	-6	-6	-30	-60
25. Temporary increase in limit on cover over of rum													
excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin													
Islands (sunset 12/31/13) [2]	abiUSa 12/31/11	-199	-23									-222	-222
26. 7-year recovery period for certain motorsports	a010/3a 12/31/11	-199	-23									-222	-222
racing track facilities (sunset 12/31/13)	ppisa 12/31/11	-46	-24	-14	-7	-4	-5	-3	5	10	10	-95	-78
27. Modify tax treatment of certain payments	11												
under existing arrangements to controlling													
exempt organizations (sunset 12/31/13)	proaa 12/31/11	-35	-5									-40	-40
28. Extension and expansion of economic development													
credit for American Samoa (sunset 12/31/13)	tyba 12/31/11	-76	-49									-124	-124
Total of Business Proposals	•••••	-28,379	-9,987	1,277	366	-32	-461	-1,303	-882	-954	-887	-36,753	-41,237
III. Energy Proposals													
1. Extension and modification of section 25C													
nonbusiness energy property (sunset 12/31/13)	ppisa 12/31/11	-1,456	-991									-2,446	-2,446
2. Alternative fuel vehicle refueling property													
(non-hydrogen refueling property) (sunset													
12/31/13)	tyba 12/31/11	-34	-9	-1	[3]	[6]	[6]	[6]	[6]	[6]	[6]	-44	-44
3. Credit for production of cellulosic biofuel with a													
maximum credit of \$1.01 per gallon and inclusion of		12	1.6									50	
fuel from algae (sunset 12/31/13)	fpa DOE [7]	-43	-16									-59	-59
4. Extension of credits for biodiesel and renewable diesel:													
a. Income tax credits for biodiesel fuel, biodiesel													
used to produce a qualified mixture, and small	facua 12/21/11	1.940	204									0 1 4 2	2 1 4 2
agri-biodiesel producers (sunset 12/31/13)	fsoua 12/31/11	-1,849	-294									-2,143	-2,143

Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
b. Income tax credits for renewable diesel fuel and													
renewable diesel used to produce a qualified													
mixture (sunset 12/31/13)	fsoua 12/31/11					<i>Est</i>	imate Inclu	ided In Iter	n 4.a				
c. Excise tax credits and outlay payments for													
biodiesel fuel and mixtures (sunset 12/31/13)	fsoua 12/31/11					<i>Est</i>	imate Inclu	ided In Iter	n 4.a				
d. Excise tax credits and outlay payments for													
renewable diesel fuel mixtures (sunset 12/31/13)	fsoua 12/31/11					<i>Est</i>	imate Inclu	ided In Iter	n 4.a				
5. Credit for production of Indian coal (sunset													
12/31/13)	cpa 12/31/12	-1	[3]	[3]	[3]	[3]	[3]	[3]				-1	
6. Credit for construction of energy efficient new													
homes (sunset 12/31/13)	haa 12/31/11	-74	-27	-14	-12	-11	-9	-6	-1			-138	-1:
7. Credit for energy efficient appliances (sunset													
12/31/13)	apa 12/31/11	-155	-82	-65	-65	-65	-65	-65	-54	-28	-6	-432	-6
8. Special depreciation allowance for cellulosic biofuel													
plant property and inclusion of algae-based fuel													
plant property (sunset 12/31/13)	fpisa DOE	-1	-2	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	-2	[
9. Special rule for sales or dispositions to implement													
Federal Energy Regulatory Commission													
("FERC") or State electric restructuring policy													
(sunset 12/31/13)	tyba 12/31/11	-596	-48	110	110	110	110	110	95			-315	
10. Incentives for alternative fuel and alternative fuel													
mixtures (other than liquefied hydrogen) (sunset													
12/31/13)	fsoua 12/31/11	-353	-56									-409	-4
11. Modify expiration date for renewable electricity													
production credit to construction beginning													
before December 31, 2013	ppisa 12/31/12	-116	-445	-882	-1230	-1386	-1499	-1568	-1642	-1686	-1729	-4,060	-12,1
12. Election to claim the energy credit in lieu of the													
electricity production credit (sunset 12/31/13)	ppisa 12/31/12		-100	-130	-54	-10	7	28	40	42	43	-294	-1
13. Clarify that paper which is commonly recycled													
does not constitute a qualified energy resource													
under section 45 credit for renewable electricity													
production	DOE	6	7	8	8	8	9	9	10	10		37	
Fotal of Energy Proposals		-4,672	-2,063	-974	-1,243	-1,354	-1,447	-1,492	-1,552	-1,662	-1,692	-10,306	-18,1
FOTAL		-143 272	-55,992	9.235	-921	-1,438	-1.976	-2,871	-2.509	-2.692	-2.656	-192.387	-205,0

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be October 1, 2012.

Legend and Footnotes for JCX-70-12

Legend for "Effective" column:														
abiUSa = articles brought into the United States after	dma = disclo		oia = obligations issued after											
apa = appliances purchased after	dmi = distrib	outions mad	te in				pma = payments made after							
apoia = amounts paid or incurred after	DOE = date	of enactme	ent			ppisa = property placed in service after								
apoaa = amounts paid or accrued after	doioa = discl	after		proaa = payments received or accrued after										
ara = amounts received after	epoid = expe		qfatpca = qualified film and television											
bia = bonds issued after	fpa = fuel pr		productions commencing after											
cma = contributions made after	fpisa = facili		saa = stock acquired after											
cmi = contributions made in	fsoua = fuel			tyba = taxable years beginning after										
cpa = coal produced after	haa = homes	acquired a	after				wpoifibwa = wages paid or incurred for individuals							
cyba = calendar years beginning after	ma = month	s after					beginning work after							
da = distributions after														
[1] Estimate includes the following effects:	<u>2013</u>	2014	2015	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	2020	2021	2022	2013-17	2013-22		
General Fund	-153	-40									-193	-193		
OASDI	-65 -13										-78	-78		
[2] Estimate provided by the Congressional Budget Office.														
[3] Loss of less than \$500,000.														

[4] Estimate includes expensing for qualified real property.

[5] Effective for dividends with respect to taxable years of regulated investment companies beginning after December 31, 2011.

[6] Gain of less than \$500,000.

[7] The technical correction is effective as if included in section 15321(b) of the Heartland, Habitat, Harvest and Horticulture Act of 2008.