JOINT COMMITTEE ON TAXATION
November 9, 2005
JCX-74-05

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 2830, THE "PENSION PROTECTION ACT OF 2005," SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 9, 2005

Fiscal Years 2006 - 2015

[Millions of Dollars]

Provision	Effective	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-10	2006-15
I. Reform of Funding Rules for Single-Employer Defined Benefit Pension Plans	**generally pyba 12/31/05**	**823**	**2,698**	**1,884**	**-1,345**	**-2,460**	**-2,179**	**-1,790**	**-1,115**	**-805**	**-711**	**1,599**	**-5,001**
II. Funding Rules for Multiemployer Defined Benefit Plans	**generally pyba 12/31/05**	**[1]**	**-2**	**-8**	**-18**	**-28**	**-34**	**-40**	**-46**	**-52**	**-58**	**-56**	**-287**
III. Other Provisions	generally												
A. Provisions Related to Interest Rates	yba 12/31/05	*Estimate Included in Item I.*											
B. Distributions During Working Retirement	dmi pyba 12/31/05	1	4	11	20	28	32	33	33	32	32	64	226
Total of Other Provisions		**1**	**4**	**11**	**20**	**28**	**32**	**33**	**33**	**32**	**32**	**64**	**226**
IV. Improvements in PBGC Guarantee Provisions	**generally pyba 12/31/05**	***Estimate to be Provided by the Congressional Budget Office***											
V. Disclosure: Section 4010 Filings with the PBGC	**pyba 12/31/06**	***No Revenue Effect***											
VI. Prohibited Transaction Exemption for the Provision of Investment Advice	**[2]**	***Negligible Revenue Effect***											
VII. Improvements in Benefit Accrual Standards	**pbo/a 6/29/05**	**-24**	**-9**	**1**	**6**	**-3**	**-8**	**6**	**25**	**29**	**13**	**-29**	**36**
VIII. Deduction Limitations	**cf tyba 12/31/06**	***Estimate Included in Item I.***											
IX. Enhanced Retirement Savings and Defined Contribution Plans													
A. Permanency of EGTRRA Pension and IRA Provisions													
1. EGTRRA pension provisions	generally yba 12/31/10	---	---	---	---	---	-1,349	-2,302	-2,618	-2,947	-3,214	---	-12,429
2. EGTRRA IRA provisions	generally tyba 12/31/10	---	---	---	---	---	-550	-1,279	-1,656	-2,030	-2,411	---	-7,926
B. Saver's Credit for Elective Deferrals and IRA Contributions Made Permanent	tyba 12/31/06	---	-481	-1,428	-1,318	-1,238	-1,210	-1,181	-1,093	-1,009	-943	-4,464	-9,901
C. Increase Participation Through Automatic Enrollment Arrangements	yba 12/31/05	-50	-174	-358	-528	-655	-749	-818	-875	-927	-979	-1,766	-6,114

Provision	Effective	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-10	2006-15
D. Treatment of Distributions to Guardsmen Called to Active Duty	dma 9/11/01	-2	-1	-1	-1	[1]	---	---	---	---	---	-5	-5
E. Inapplicability of 10-Percent Additional Tax on Early Distributions of Pension Plans of Public Safety Employees	dma DOE	-1	-3	-3	-3	-3	-3	-4	-4	-4	-4	-13	-32
F. Combat Zone Compensation Taken into Account for Purposes of IRA Contributions	tyba 12/31/05	-2	-2	-2	-3	-4	-4	-3	-3	-3	-3	-13	-31
G. Direct Deposit of Tax Refunds in an IRA	DOE	*Negligible Revenue Effect*											
Total of Enhanced Retirement Savings and Defined Contribution Plans		**-55**	**-661**	**-1,792**	**-1,853**	**-1,900**	**-3,865**	**-5,587**	**-6,249**	**-6,920**	**-7,554**	**-6,261**	**-36,438**
X. Provisions to Enhance Health Care Affordability													
A. Tax Treatment of Combined Annuity and Life Insurance Contracts with a Long-Term Care Insurance Feature	[3]	---	-63	-159	-284	-502	-833	-1,200	-1,523	-1,852	-2,188	-1,009	-8,606
B. Disposition of Unused Health Benefits in Flexible Spending Arrangements	tyba 12/31/05	-682	-1,181	-1,441	-1,637	-1,748	-1,867	-1,958	-2,035	-2,115	-2,188	-6,688	-16,852
C. Permit Tax-Free Distributions from Governmental Retirement Plans for Premiums for Health and Long-Term Care Insurance for Public Safety Officers	dmi tyba 12/31/05	-185	-246	-279	-317	-344	-371	-437	-470	-505	-542	-1,371	-3,694
Total of Provisions to Enhance Health Care Affordability		**-867**	**-1,490**	**-1,879**	**-2,238**	**-2,594**	**-3,071**	**-3,595**	**-4,028**	**-4,472**	**-4,918**	**-9,068**	**-29,152**
NET TOTAL		**-122**	**540**	**-1,783**	**-5,428**	**-6,957**	**-9,125**	**-10,973**	**-11,380**	**-12,188**	**-13,196**	**-13,751**	**-70,616**

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be December 1, 2005.

Legend for "Effective" column:

cf = contributions for
dma = distributions made after
dmi = distributions made in
DOE = date of enactment
pbo/a = periods beginning on or after
pyba = plan years beginning after
tyba = taxable years beginning after
yba = years beginning after

[1] Loss of less than $500,000.
[2] The proposal applies with respect to advice referred to in section 3(21)(A)(ii) of ERISA provided on or after January 1, 2006.
[3] Generally effective for contracts issued before, on, or after December 31, 2006, but only with respect to periods beginning after that date. The proposal expanding the rules for tax-free exchanges of certain insurance contracts applies with respect to exchanges occurring after December 31, 2006.