

ESTIMATED REVENUE EFFECTS OF TITLE V. OF H.R. 3,
 THE "HIGHWAY REAUTHORIZATION AND EXCISE TAX SIMPLIFICATION ACT OF 2005,"
 AS PASSED BY THE SENATE ON MAY 17, 2005

Fiscal Years 2005 - 2015

[Millions of Dollars]

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-09	2005-10	2005-15
I. Provisions With General Fund Effects Only															
1. Extend Highway Trust Fund and Aquatic Resources Trust Fund Expenditure Authority through September 30, 2009, and related taxes through September 30, 2011 [1]	DOE	----- No Revenue Effect -----													
2. Extend General Fund retention of 4.8 cents/gallon of taxes on motorboat and small engine gasoline (sunset 9/30/11).....	10/1/05	----- No Revenue Effect -----													
3. Modify gas guzzler tax [2]	10/1/05	---	-3	-4	-4	-4	-5	-5	-5	-5	-5	-6	-15	-20	-46
4. Repeal Harbor Maintenance tax on exports [3].....	boa DOE	----- No Revenue Effect -----													
5. Repeal special occupational taxes on producers and marketers of alcoholic beverages.....	7/1/08	---	---	---	-50	-59	-59	-59	-59	-59	-59	-59	-109	-167	-459
6. Modify limitation on rate of rum excise tax cover over to Puerto Rico and Virgin Islands (sunset 12/31/06) [4].....	abiUSa 12/31/05	-11	-58	-18	---	---	---	---	---	---	---	---	-87	-87	-87
7. Provide income tax credit for cost of carrying tax-paid distilled spirits in wholesale inventories and in control State bailment warehouses.....	tyba 9/30/05	---	-9	-17	-19	-20	-20	-20	-20	-21	-21	-21	-65	-84	-188
8. Quarterly filing by small alcohol producers.....	qpboa 1/1/06	---	-5	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	-5	-5	-6
9. Establish a Motor Fuel Tax Enforcement Advisory Commission.....	DOE	----- No Revenue Effect -----													
10. Establish a National Surface Transportation Infrastructure Financing Commission.....	DOE	----- No Revenue Effect -----													
11. Expand Highway Trust Fund expenditure purposes to include funding for studies of supplemental or alternative financing for the Highway Trust Fund.....	DOE	----- No Revenue Effect -----													
12. Delta Regional Transportation Plan	DOE	----- No Revenue Effect -----													
13. Establish the Build America Corporation.....	DOE	----- No Revenue Effect -----													
14. Treasury study of highway fuels used by trucks for non-transportation purposes.....	DOE	----- No Revenue Effect -----													
15. Diesel fuel tax evasion report.....	DOE	----- No Revenue Effect -----													
16. Modify the tax treatment of contingent convertible debt instruments	dii/a DOE	6	19	34	51	61	62	57	50	46	40	36	171	233	462
17. Frivolous tax submissions	[6]	---	3	3	3	3	3	3	3	3	3	3	12	15	30
18. Increase in certain criminal penalties.....	aafaoa DOE	---	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	1	1	5
19. Double certain penalties, fines, and interest on underpayments related to certain offshore financial arrangements	oyo/a DOE	[8]	2	1	1	1	1	1	1	1	1	1	5	6	10
20. Modification of CFC-PFIC coordination rules	[9]	2	4	5	6	8	10	12	15	17	19	21	25	35	119
21. Declaration by chief executive officer relating to Federal annual income tax return of a corporation.....	rf tyea DOE	----- Negligible Revenue Effect -----													

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-09	2005-10	2005-15
22. Grant Treasury regulatory authority to address foreign tax credit transactions involving inappropriate separation of foreign taxes from related foreign income.....	teia DOE	[7]	[7]	1	1	2	2	2	2	2	2	2	4	6	16
23. Whistleblower reforms.....	ipo/a DOE	---	3	8	10	20	31	42	54	66	79	94	41	71	407
24. Denial of deduction for certain fines, penalties, and other amounts.....	apoio/a DOE	11	36	51	26	11	11	11	11	11	11	11	135	146	200
25. Freeze of interest suspension rules with respect to listed transactions (section 6404(g) modification).....	[10]	25	208	92	52	19	---	---	---	---	---	---	396	396	396
26. Repeal section 470 exception for qualified transportation property.....	[10]	---	14	36	43	43	43	41	39	37	37	37	136	180	372
27. Impose mark-to-market on individuals who expatriate	[11]	6	62	58	56	54	50	46	43	41	39	38	236	286	493
28. Deny deduction for punitive damages.....	dpoio/a DOE	7	30	31	32	33	34	35	36	37	38	39	133	166	350
29. Application of earnings stripping rules to partners which are C corporations.....	tybo/a DOE	1	15	23	25	27	29	31	33	35	38	41	91	120	298
30. Deferral of certain stock option and restricted stock gains prohibited.....	aeo/a DOE	4	7	6	6	5	4	7	8	7	6	5	28	31	64
31. Clarification of the economic substance doctrine and related penalty provisions	Tea DOE in tyea DOE	---	586	805	1,127	1,270	1,427	1,631	1,877	2,154	2,445	2,643	3,788	5,214	15,964
32. Termination of installment agreements.....	foo/a DOE	----- Negligible Revenue Effect -----													
33. Office of Chief Counsel review of offers-in-compromise.....	osopo/a DOE	----- No Revenue Effect -----													
34. Require partial payments with submissions of offers-in-compromise (24-month rule through 7/1/10; 12-month rule thereafter).....	osooa 60da DOE	---	100	162	174	188	159	10	-28	-30	-32	-35	624	783	668
35. Joint Task Force study on offers-in-compromise.....	[12]	----- No Revenue Effect -----													
36. Nonapplication of export exemption to delivery of fuel to motor vehicles removed from the United States.....	sodma DOE	----- No Revenue Effect -----													
37. Tax-exempt financing of highway projects and rail-truck transfer facilities	bia DOE	[5]	-5	-14	-25	-36	-50	-72	-97	-122	-146	-170	-79	-131	-738
38. Increase transit and vanpooling exclusion to \$155 and hold parking exclusion at \$200 from 2006 through 2008; index transportation benefits after 2008; transit and vanpooling exclusion is equalized with parking in 2010 and thereafter.....	tyba 12/31/05	---	-6	-6	-8	-5	-17	-34	-39	-45	-53	-61	-26	-43	-277
39. Waiver of user fee for installment agreements using automated withdrawals.....	aeio/a 180da DOE	---	-2	-3	-3	-3	-3	-4	-4	-4	-4	-5	-11	-14	-35
40. Credit for installation of alternative fuel refueling stations (sunset 12/31/09).....	ppisa DOE	[5]	-3	-7	-12	-19	-15	-7	-4	-2	[8]	1	-41	-56	-68
41. State acquisition of real estate investment trust interests.....	[13]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	-1	-1	-2
42. Modify recapture of section 197 amortization.....	dopa DOE	2	12	13	14	15	16	17	19	20	21	23	56	72	171
43. Limitation of employer deduction for certain entertainment expenses.....	eia DOE	[8]	4	4	4	5	5	5	5	6	6	6	17	22	53
44. Increase in penalty for bad checks and money orders.....	comora DOE	[8]	2	2	2	2	2	2	2	2	2	2	8	10	20
45. Eliminate double deduction of mining exploration and development costs under the minimum tax	tyba DOE	17	38	30	28	26	24	25	24	22	18	17	139	163	268
Total of Provisions With General Fund Effects Only		70	1,054	1,296	1,540	1,647	1,744	1,777	1,966	2,219	2,485	2,663	5,607	7,348	18,460
II. Provisions With Trust Fund and General Fund Effects															
1. Exclusion for tractors with a Gross Vehicle Weight Rating of 19,500 pounds or less from Federal excise tax on heavy trucks and trailers.....	sa 9/30/05	-1	-2	-2	-3	-3	-3	-3	-3	-3	-3	-3	-11	-14	-31
2. Exemption of bulk beds for farm crops from excise tax on heavy trucks and trailers.....	sa 9/30/05	[5]	[5]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-4

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-09	2005-10	2005-15
3. Eliminate Aquatic Resources Trust Fund and transform Sport Fish Restoration Account.....	10/1/05	----- No Revenue Effect -----													
4. Cap excise tax on certain fishing equipment [14].....	[15]	---	-3	-3	-4	-4	-4	-4	-4	-5	-5	-5	-14	-17	-41
5. Clarify excise tax exemptions for agricultural aerial applicators and exempt certain fixed-wing aircraft engaged in forestry operations.....	fuoata 9/30/05	---	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-16	-20	-40
6. Modify the definition of rural airport	10/1/05	---	-3	-3	-4	-4	-4	-4	-4	-4	-5	-5	-14	-18	-40
7. Exempt from ticket taxes transportation provided by seaplanes.....	ta 9/30/05	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-5	-11
8. Exempt certain sightseeing flights from taxes on air transportation.....	[16]	---	-7	-7	-7	-7	-8	-8	-8	-9	-9	-9	-28	-36	-79
9. Provide exemption for certain custom gunsmiths [17].....	[15]	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-4	-8
10. Suspend section 9503(c)(2) transfers from Trust Funds to the General Fund (sunset 9/30/09) [3].....	apfwntmb 4/1/05	----- No Revenue Effect -----													
11. Temporary dedication of Gas Guzzler Tax to Highway Trust Fund (sunset 9/30/09).....	tioaa 7/1/05	----- No Revenue Effect -----													
12. Treatment of kerosene used in aviation.....	[18]	---	48	49	50	50	50	50	50	50	49	49	197	247	495
13. Repeal of ultimate vendor refund claims with respect to farming.....	sa 9/30/05	---	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]
14. Refunds of excise taxes on exempt sales of fuel by credit card.....	sa 12/31/05	----- Negligible Revenue Effect -----													
15. Additional requirement for exempt purchases.....	sa 12/31/05	---	3	4	4	4	4	4	5	5	5	5	15	19	43
16. Reregistration in event of change in ownership.....	aofaa DOE	[8]	4	4	4	4	4	4	5	5	5	5	16	21	45
17. Reconciliation of on-loaded cargo to entered cargo.....	DOE	---	[8]	4	4	4	4	4	5	5	5	5	12	17	41
18. Registration of deep-draft vessels.....	DOE	[8]	3	3	3	3	3	3	3	3	3	3	12	14	31
19. Taxation of gasoline blendstocks and kerosene.....	feora 9/30/05	---	101	106	110	114	117	120	123	126	130	133	431	548	1,180
20. Penalty with respect to certain adulterated fuels.....	tsohofsoa DOE	----- Negligible Revenue Effect -----													
21. Volumetric Excise Tax Credit for alternative fuels.....	suora 9/30/06	---	---	-42	-49	-52	17	23	25	27	29	31	-143	-127	9
Total of Provisions With Trust Fund and General Fund Effects		-1	138	106	101	102	173	182	190	193	197	202	447	623	1,590
III. Fuels Related Technical Corrections		----- No Revenue Effect -----													
NET TOTAL		69	1,192	1,402	1,641	1,749	1,917	1,959	2,156	2,412	2,682	2,865	6,054	7,971	20,050

Joint Committee on Taxation

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

Legend for "Effective" column:

- aaftaoa = actions, and failures to act, occurring after
- abiUSa = articles brought into the United States after
- aeo/a = any exchange on or after
- aoftaa = actions, or failures to act, after
- aeio/a agreements entered into on or after
- apfwntmb = amounts paid for which no transfer made before
- apoio/a = amounts paid or incurred on or after
- bia = bonds issued after
- boaa = before, on, and after
- comora = checks or money orders received after
- dio/a = debt instrument issued on or after
- DOE = date of enactment

- dopa = dispositions of property after
- dpoio/a = damages paid or incurred on or after
- eia = expenses incurred after
- foo/a = failures occurring on or after
- feora = fuel entered or removed after
- fuoata = fuel use or air transportation after
- ipo/a = information provided on or after
- oyo/a = open years on or after
- osoa = offers submitted on and after
- osopo/a = offers submitted or pending on or after
- qpboaa = quarterly periods beginning on and after
- rf = returns for

- sa = sales after
- sodma = sales or deliveries made after
- suora = sale, use, or removal after
- ta = transportation after
- Ta = transactions after
- teia = transactions entered into after
- tioaa = taxes imposed on and after
- tsohofsoa = transfer, sale, or holding out for sale occurring after
- tyba = taxable years beginning after
- tybo/a = taxable years beginning on or after
- tyea = taxable years ending after
- 60da = 60 days after

[Footnotes for JCX-39-05 appear on the following page]

Footnotes for JCX-39-05:

- [1] Any possible outlay effects will be estimated by the Congressional Budget Office ("CBO").
- [2] Remaining gas guzzler revenues dedicated to the Highway Trust Fund, as detailed in provision II. 11.
- [3] Estimate provided by the Congressional Budget Office.
- [4] Preliminary outlay estimate provided by the Congressional Budget Office and is subject to change.
- [5] Loss of less than \$500,000.
- [6] Effective for submissions made and issues raised after the first list is prescribed under section 6702(c).
- [7] Gain of less than \$1 million.
- [8] Gain of less than \$500,000.
- [9] Effective for taxable years of foreign corporations beginning after March 2, 2005, and for taxable years of U.S. shareholders with or within which such taxable years of such foreign corporations end.
- [10] The provisions would be effective as if included in the enactment of the American Jobs Creation Act of 2004.
- [11] Generally effective for U.S. citizens who expatriate or long-term residents who terminate their residency on or after date of enactment.
- [12] Effective for reports in calendar year 2006 and after.
- [13] Effective on or after the date a State becomes the owner of all outstanding shares of a qualified corporation, provided that the State becomes owner of all of the voting stock of the corporation on or before December 31, 2003, and becomes the owner of all of the outstanding stock of the corporation on or before December 31, 2006.
- [14] Estimate does not include a decrease in outlays of \$38 million for the fiscal years 2005 through 2015.
- [15] Effective for articles sold by the manufacturer, producer, or importer after September 30, 2005.
- [16] Effective with respect to transportation beginning after September 30, 2005, but shall not apply to any amount paid before that date for such transportation.
- [17] Estimate does not include a decrease in outlays of \$7 million for the fiscal years 2005 through 2015.
- [18] Effective for fuels or liquids removed, entered into the United States, or sold after September 30, 2005.