

ESTIMATED BUDGET EFFECTS OF REVENUE PROVISIONS OF H.R. 2517,
 THE "SEVEN-YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995"

Fiscal Years 1996 - 2005

[Millions of Dollars]

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
CONTRACT REVENUE PROVISIONS											
I. American Dream Restoration											
A. Family Tax Credit (\$500 in 1996, and thereafter; children under age 18; phase-out \$200,000 to \$250,000).....	1/1/96	-4,638	-23,270	-24,098	-26,249	-26,704	-27,570	-29,820	-104,960	-162,350	-259,730
B. Credit to Reduce the Marriage Penalty.....	tyba DOE	-200	-2,005	-2,016	-2,027	-2,038	-2,049	-2,061	-8,287	-12,397	-18,646
C. Establishment of American Dream Savings Accounts and Spousal IRAs:											
1. American Dream Savings Accounts..	1/1/96	1,168	1,647	1,020	204	-2,022	-4,499	-4,308	2,017	-6,790	-24,495
2. \$2,000 Spousal IRA.....	1/1/96	-35	-96	-102	-109	-117	-125	-134	-459	-719	-1,183
Total of American Dream Restoration		-3,705	-23,724	-25,196	-28,181	-30,881	-34,243	-36,323	-111,689	-182,256	-304,054
II. Senior Citizens' Equity											
A. Repeal of Increase in Tax on Social Security Benefits (phase-in 75%, 65%, 60%, 55%, 50%).....	1/1/96	-510	-1,861	-3,166	-4,265	-5,562	-6,668	-7,374	-15,364	-29,406	-56,395
B. Treatment of Long-Term Care Insurance.....	1/1/96	-907	-1,011	-1,230	-1,407	-1,596	-1,819	-2,061	-6,149	-10,030	-17,761
C. Tax Treatment of Accelerated Death Benefits under Life Insurance Contracts.....	1/1/96	-6	-67	-107	-166	-214	-265	-316	-560	-1,141	-2,442
Total of Senior Citizens' Equity.....		-1,423	-2,939	-4,503	-5,838	-7,372	-8,752	-9,751	-22,073	-40,577	-76,598

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
III. Job Creation and Wage Enhancement											
A. Capital Gains Reforms: Provisions											
in "Contract" but (a) indexing is not allowed to create losses; (b) no indexing and max rate of 25% for corporations; (c) collectibles - choice of indexing or 28% max rate; (d) holding period for indexing of 3 years; (e) indexing applies only to assets acquired after 1994, but with an election to mark-to-market for 1995; (f) net lease exclusion removed; and (g) other miscellaneous changes.....											
	1/1/95	11,642	-5,237	-10,441	-13,047	-14,857	-15,243	-15,781	-31,940	-62,964	-118,913
B. Leasehold Improvements											
Provision.....	lida 3/13/95	-34	-20	-17	-15	-12	-9	-6	-99	-114	-111
C. Neutral Cost Recovery.....											
	ppisa 12/31/94	10,407	10,048	6,258	-1,243	-8,815	-14,233	-18,096	16,655	-15,674	-88,776
D. Corporate Alternative Minimum Tax (AMT) Reform: Prospective repeal of corporate AMT and business preferences under the individual AMT; Full repeal of the corporate AMT beginning in 2001.....											
	generally 1/1/96 [2]	-3,526	-3,584	-3,348	-3,685	-2,733	-5,690	-5,310	-16,877	-27,877	-34,585
E. Interaction Between Neutral Cost Recovery (C.) and Corporate AMT (D.) Provisions [3].....											
	---	1,145	730	351	59	17	90	310	2,302	2,702	4,516
F. Debt Reduction Checkoff and Trust Fund.....											
	tyba DOE										
G. Small Business Incentives:											
1. Increase in unified estate and gift tax credits [4].....											
	1/1/96	---	-1,404	-1,572	-1,761	-2,088	-2,572	-2,829	-6,825	-12,226	-23,076
2. Increase in expense treatment for small businesses (\$22,500 for 1996, \$27,500 for 1997, \$32,500 for 1998, and \$35,000 for 1999 and thereafter).....											
	tyba 12/31/95	-554	-1,371	-1,955	-2,148	-1,766	-1,309	-1,024	-7,794	-10,127	-12,408
3. Clarification of definition of principal place of business; Treatment of storage of product samples.....											
	tyba 1995	-103	-202	-181	-187	-192	-198	-204	-866	-1,268	-1,919
Total of Job Creation and Wage Enhancement.....											
		18,977	-1,040	-10,905	-22,027	-30,446	-39,164	-42,940	-45,444	-127,548	-275,272

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
IV. Family Reinforcement											
A. Credit for Adoption Expenses.....	tyba 12/31/95	-25	-247	-248	-248	-249	-249	-250	-1,016	-1,515	-2,265
B. Credit for Custodial Care of Certain Elderly Dependents in Taxpayer's Home.....	tyba 12/31/95	-42	-267	-227	-233	-238	-244	-250	-1,007	-1,501	-2,291
Total of Family Reinforcement.....		-67	-514	-475	-481	-487	-493	-500	-2,023	-3,016	-4,556

V. Technical Corrections.....		14	---	---	---	---	---	---	14	14	14
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SUBTOTAL OF CONTRACT REVENUE PROVISIONS

(I, II, III, IV, V) [5].....	13,796	-28,217	-41,079	-56,527	-69,186	-82,652	-89,514	-181,215	-353,383	-660,466
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SUBTOTAL OF CUTBACK APPLIED TO CONTRACT

REVENUE PROVISIONS.....	-6,019	-5,922	740	12,210	25,538	38,894	42,270	26,549	107,715	255,031
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TOTAL OF CONTRACT REVENUE PROVISIONS

INCLUDING CUTBACK.....	7,777	-34,139	-40,339	-44,317	-43,648	-43,758	-47,244	-154,666	-245,668	-405,435
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TITLE XIII. REVENUE RECONCILIATION ACT
I. EXPIRING PROVISIONS
**A. Provisions Extended Through
12/31/97:**

1. Work opportunity tax credit [6].....	1/1/96	-64	-173	-176	-93	-36	-12	-2	-542	-556	-556
2. Employer-provided educational assistance (for undergraduate education after 12/31/95).....	1/1/95	-731	-500	-307	---	---	---	---	-1,538	-1,538	-1,538

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
3. R&D credit with modifications.....	7/1/95	-1268	-1,530	-1,115	-570	-377	-193	-44	-4,861	-5,098	-5,098
4. Contributions of appreciated stock to private foundations.....	1/1/95	-45	-102	-19	-6	---	---	---	-173	-173	-173
5. Orphan drug tax credit.....	1/1/95	-33	-20	-7	---	---	---	---	-60	-60	-60
B. Permanent Extension of FUTA exemption for alien agricultural workers [7].....	1/1/95	-5	-3	-3	-3	-3	-3	-3	-17	-23	-32
C. Commercial Aviation Fuel: extend 4.3 cents/gallon exemption through 9/30/97.....	10/1/95	-417	-439	-6	---	---	---	---	-863	-863	-863
D. Extend all Airport and Airway Trust Fund excise taxes through 9/30/96 [8].....	1/1/96	----- <i>No Revenue Effect</i> -----									
Total for Expiring Provisions.....		-2,563	-2,767	-1,633	-672	-416	-208	-49	-8,054	-8,311	-8,320

II. MEDICAL SAVINGS

ACCOUNTS.....	1/1/96	-117	-197	-233	-268	-306	-321	-337	-1,121	-1,779	-2,895
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III. TAXPAYER BILL OF RIGHTS 2

1. Establishment of position of Taxpayer Advocate.....	DOE	----- <i>No Revenue Effect</i> -----									
2. Expansion of authority to issue Taxpayer Assistance Orders.....	DOE	----- <i>No Revenue Effect</i> -----									
3. Notification of reasons for termination of installment agreements.....	6ma DOE	----- <i>No Revenue Effect</i> -----									
4. Administrative review of termination of installment agreements.....	1/1/96	----- <i>No Revenue Effect</i> -----									
5. Expansion of authority to abate interest.....	DOE	[9]	[9]	[9]	[9]	[9]	[9]	[9]	[10]	[10]	[10]
6. Review of IRS failure to abate interest.....	DOE	[9]	[9]	[9]	[9]	[9]	[9]	[9]	[10]	[10]	[10]
7. Extension of interest-free period for payment of tax.....	6/30/96	-2	-7	-8	-8	-8	-9	-9	-33	-51	-80
8. Studies of joint return-related issues.....	DOE	----- <i>No Revenue Effect</i> -----									
9. Joint return may be made after separate returns without full payment of tax.....	DOE	[9]	[9]	[9]	[9]	[9]	[9]	[9]	[10]	[10]	[10]

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
34. Unauthorized enticement of information disclosure.....	DOE	----- No Revenue Effect -----									
35. Annual reminders to taxpayers with delinquent accounts.....	1/1/96	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[12]	[12]	[12]
36. 5-year extension of authority for undercover operations	DOE	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[12]	[12]	[12]
37. Disclosure of Form 8300 information.....	DOE	----- No Revenue Effect -----									
38. Disclosure of returns and return information to designee of taxpayer..	DOE	----- No Revenue Effect -----									
39. Study of netting of interest on overpayments and liabilities.....	DOE	----- No Revenue Effect -----									
40. Provide tax credit for Taxpayer Compliance Measurement Program for individual taxpayers.....	tyba 12/31/94	---	-74	-74	-74	---	---	---	-222	-222	-222
41. Expenses of detection of underpayments and fraud.....	DOE	----- Negligible Revenue Effect -----									
Total of Taxpayer Bill of Rights 2.....		-12	-95	-99	-100	-27	-30	-30	-333	-393	-487

IV. ADDITIONAL TECHNICAL CORRECTIONS.....

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V. INFORMATION SHARING PROVISION: EXTENSION OF DISCLOSURE OF RETURN INFORMATION TO DEPARTMENT OF VETERANS AFFAIRS (outlay reductions) (7).....

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VI. CORPORATE AND OTHER REFORMS

1. Reform the tax treatment of certain corporate stock redemptions.....	5/4/95	-83	-100	-17	84	209	343	437	93	873	2,444
2. Require corporate tax shelter reporting.....	atsotppa DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[14]	[14]	[15]

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
17. Tax gambling income of Indian tribes; repeal of targeted exemption from UBIT from gambling in certain States.....	1/1/96	28	50	52	52	53	54	56	235	345	519
18. Repeal exemption for withholding on gambling winnings from bingo and keno, where proceeds exceed \$5,000.....	1/1/96	20	6	6	6	6	7	7	45	58	80
19. Sunset the low-income housing tax credit after 12/31/97	DOE	-24	-29	64	333	674	1,046	1,431	1,018	3,494	10,152
20. Repeal tax credit for contributions to special Community Development Corporations.....	DOE	1	1	2	2	2	2	2	8	12	18
21. Repeal advance refunds of diesel fuel tax for diesel cars and light trucks.....	1/1/96	8	19	19	19	19	19	19	84	122	179
22. Apply failure to pay penalty to substitute returns.....	DOE	1	3	29	30	32	33	35	95	163	278
23. Repeal section 280A(g) (clarify that there is no basis adjustment required if depreciation is not claimed).....	tyba 12/31/95	11	22	23	23	24	26	27	103	155	242
24. Allow conversion of scholarship funding corporation to taxable corporation.....	DOE	3	4	6	8	10	10	9	30	48	67
25. Apply look-through rule for purposes of characterizing certain subpart F insurance income as UBIT.....	gira 12/31/95	7	23	24	27	30	32	34	111	177	298
26. Intermediate sanctions for certain tax-exempt organizations.....	9/13/95	4	4	4	5	5	5	6	22	33	52
Total for Corporate and Other Reforms.....		3,282	3,721	4,233	4,221	4,315	4,686	5,494	19,771	29,941	50,934

VII. EITC REFORMS

1. Modify AGI for the EITC to include nontaxable Social Security benefits and nontaxable distributions of IRAs, pension, and annuities:

a. Revenue.....	tyba 12/31/95	10	201	215	219	199	246	268	843	1,357	2,246
b. Outlay reductions.....	tyba 12/31/95	57	1,152	1,225	1,284	1,388	1,412	1,415	5,107	7,934	12,600

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
2. Restrict EITC eligibility to individuals with qualifying children:											
a. Revenue.....	tyba 12/31/95	4	89	93	97	100	107	112	382	601	970
b. Outlay reductions.....	tyba 12/31/95	27	535	557	583	610	631	658	2,313	3,602	5,747
3. Increase the EITC phaseout rate to 18 percent for individuals with one qualifying child and 23 percent for individuals with two or more qualifying children:											
a. Revenue.....	tyba 12/31/95	30	604	637	667	698	743	783	2,636	4,162	6,771
b. Outlay reductions.....	tyba 12/31/95	33	659	692	723	765	805	846	2,874	4,523	7,333
4. Require Social Security numbers for primary and secondary taxpayers, and treat omission of a correct Social Security number and underpayment of SECA as a math error:											
a. Revenue.....	tyba 12/31/95	1	28	29	29	30	30	31	117	178	274
b. Outlay reductions.....	tyba 12/31/95	10	224	232	236	242	245	251	945	1,441	2,232
Total of EITC Revenue [19].....		39	781	824	857	895	950	1,071	3,397	5,423	9,035
Total of EITC Outlay [19].....		131	2,636	2,779	2,897	3,045	3,159	3,197	11,489	17,845	28,258

VIII. EXTENSION OF DEBT CEILING..... --- --- --- --- --- --- --- --- --- --- ---

IX. COAL INDUSTRY RETIREE

HEALTH EQUITY..... 10/1/95 ----- *Negligible Revenue Effect* -----

TITLE XIV. TAX SIMPLIFICATION ACT

I. SIMPLIFICATION PROVISIONS

RELATING TO INDIVIDUALS

1. Rollover of gain on sale of principal residence:

 a. Multiple sales within rollover

 period..... s/a DOE -1 -2 -2 -2 -2 -2 -3 -9 -14 -23

 b. Rules in case of divorce.....

 s/a DOE -2 -2 -2 -2 -3 -3 -3 -11 -17 -29

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
2. One-time exclusion on the sale of a principal residence by an individual who has attained age 55 (allow additional exclusion for married couples under certain conditions where one spouse has claimed an exclusion prior to their marriage).....	s/a 9/13/95	-10	-19	-20	-21	-22	-23	-24	-92	-139	-217
3. Permit payment of taxes by any commercially acceptable means.....	DOE + 9 months	----- <i>Negligible Revenue Effect</i> -----									
4. Simplified foreign tax credit limitation for individuals.....	tyba 12/31/95	[1]	-1	-1	-1	-1	-1	-1	-4	-6	-9
5. Treatment of personal transactions by individuals under foreign currency rules.....	tyba 12/31/95	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-2
6. Treatment of certain reimbursed expenses of rural mail carriers.....	tyba 12/31/95	[1]	-1	-1	-1	-1	-1	-1	-5	-7	-11
7. Exclusion of combat pay from withholding limited to amount excludable from gross income.....	r/a 12/31/95	----- <i>No Revenue Effect</i> -----									
8. Travel expenses of Federal employee participating in a Federal criminal investigation.....	tyea DOE	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-3
II. PENSION SIMPLIFICATION											
A. Simplified Distribution Rules											
1. Sunset of 5-year income averaging for lump-sum distributions.....	tyba 12/31/95	4	13	23	36	44	46	48	119	213	374
2. Repeal of \$5,000 exclusion of employees' death benefits.....	tyba 12/31/95	16	46	49	52	54	55	55	218	328	498
3. Simplified method for taxing annuity distributions under certain employer plans.....	asda 12/31/95	[18]	2	4	4	6	6	6	16	28	54
4. Minimum required distributions.....	yba 12/31/95	-1	-4	-4	-4	-4	-4	-4	-17	-25	-37
B. Increased Access to Pension Plans											
1. Modifications of simplified employee pensions (SEPs).....	yba 12/31/95	-12	-35	-36	-37	-38	-39	-40	-159	-238	-363
2. State and local governments and tax-exempt organizations that do not maintain section 457 plans eligible under section 401(k).....	pyba 12/31/96	---	-37	-89	-95	-98	-102	-105	-319	-526	-865
C. Nondiscrimination Provisions											
1. Simplified definition of highly compensated employees.....	yba 12/31/95	----- <i>Considered in Other Provisions</i> -----									

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
2. Repeal of family aggregation rules....	yba 12/31/95	----- <i>Considered in Other Provisions</i> -----									
3. Modification of additional participation requirements.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
4. Safe-harbor nondiscrimination rules for qualified cash or deferred arrangements, matching contributions, and salary reduction SEPs.....	yba 12/31/95	-52	-149	-154	-160	-165	-171	-177	-680	-1,028	-1,594
D. Miscellaneous Pension Simplification											
1. Treatment of leased employees.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
2. Plans covering self-employed individuals.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
3. Elimination of special vesting rule for multiemployer plans.....	pybo/a 1/1/96	[18]	-1	-1	-1	-1	-1	-1	-4	-6	-9
4. Distributions under rural cooperative plans.....	da 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
5. Treatment of governmental plans under section 415.....	tybo/a DOE	----- <i>Negligible Revenue Effect</i> -----									
6. Uniform retirement age.....	yba 12/31/95	----- <i>Considered in Other Provisions</i> -----									
7. Uniform penalty provision to apply to certain pension reporting requirements.....	1/1/96	----- <i>No Revenue Effect</i> -----									
8. Contributions on behalf of disabled employees.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
9. Treatment of deferred compensation plans of State and local governments and tax-exempt organizations.....	tyba 12/31/95	[1]	-1	-1	-1	-1	-2	-2	-4	-8	-14
10. Require individual ownership of section 457 plan assets.....	1/1/96	-8	-22	-23	-24	-25	-25	-26	-101	-153	-237
11. Correction of GATT interest and mortality rate provisions in the Retirement Protection Act.....	eaia GATT	-4	-4	-4	-4	---	---	---	-16	-16	-16
12. Multiple salary reduction agreements permitted under section 403(b).....	tyba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
13. Repeal of combined plan limit (section 415(e)).....	lyba 12/31/96	---	-66	-178	-184	-189	-195	-201	-617	-1,012	-1,651
14. Modify notice required of right to qualified joint and survivor annuity....	pyba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
15. Date for adoption of plan amendments.....	DOE	----- <i>No Revenue Effect</i> -----									

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
7. Conform estate and income tax treatments of certain short-term OID obligations held by a nonresident alien.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
V. OTHER INCOME TAX											
SIMPLIFICATION PROVISIONS											
A. Subchapter S Corporations											
1. Increase number of eligible shareholders.....	tyba 12/31/95	-7	-12	-14	-16	-20	-22	-25	-69	-116	-140
2. Permit certain trusts to hold stock in S corporations.....	tyba 12/31/95	-1	-2	-2	-2	-2	-2	-2	-9	-13	-21
3. Extend holding period for certain trusts.....	tyba 12/31/95	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]
4. Financial institutions permitted to hold safe-harbor debt.....	tyba 12/31/95	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-1
5. Authority to validate certain invalid elections.....	tyba 12/31/82	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-2
6. Allow interim closing of the books.....	tyba 12/31/95	----- <i>Negligible Revenue Effect</i> -----									
7. Expand post-termination period and amend subchapter S audit procedures.....	tyba 12/31/95	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-2
8. S corporations permitted to hold S or C subsidiaries.....	tyba 12/31/95	-3	-7	-9	-11	-13	-15	-17	-43	-75	-144
9. Treatment of distributions during loss years.....	tyba 12/31/95	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-1
10. Treatment of S corporations as shareholders in C corporations.....	tyba 12/31/95	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]
11. Elimination of certain earnings and profits of S corporations.....	tyba 12/31/95	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]
12. Treatment of certain losses carried over under at-risk rules.....	tyba 12/31/95	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]
13. Adjustments to basis of inherited S stock.....	dda DOE	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[11]
14. Treatment of certain real estate held by an S corporation.....	tyba 12/31/95	[1]	-1	-1	-2	-2	-2	-2	-6	-10	-16
15. Transition rule for elections after termination.....	tyba 12/31/95	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]
16. Interaction of subchapter S changes.....	---	-3	-10	-26	-32	-37	-38	-39	-108	-185	-306
B. Regulated Investment Companies (RICs) and Real Estate Investment Trusts (REITs)											
1. Repeal of 30% gross income limitation for RICs.....	tyba DOE	-9	-17	-20	-24	-28	-32	-35	-98	-164	-281

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
2. Modification of rules for real estate investment trusts (REITs):											
a. Repeal 30% gross income test.....	tyba DOE	-4	-6	-7	-8	-9	-10	-11	-34	-55	-97
b. Intermediate sanctions.....	tyba DOE	[20]	[20]	[20]	[20]	[20]	[20]	[20]	[21]	[21]	[18]
c. Phantom income exclusion from 95% distribution rule.....	tyba DOE	[20]	[20]	[20]	[20]	[20]	[20]	[20]	[21]	[21]	[21]
d. Other provisions.....	tyba DOE	----- Negligible Revenue Effect -----									
C. Accounting Provisions											
1. Modifications to look-back method for long-term contracts.....	cc/tyea/E	-2	-3	-3	-3	-4	-4	-4	-15	-23	-35
2. Allow traders to adopt mark-to-market accounting for securities.....	DOE	----- Negligible Revenue Effect -----									
3. Modification of Treasury ruling requirement for nuclear decommissioning funds.....	tyba DOE	-4	-4	-5	-5	-5	-5	-5	-23	-33	-49
4. Fiscal year election for partnerships and S corporations.....	tyba 12/31/96	---	-100	-200	-25	-10	-10	-10	-335	-355	-385
5. Provide that a taxpayer may elect to include in income crop insurance proceeds and disaster payments in the year of the disaster or in the following year.....	pra 12/31/95	7	-1	-1	-1	-1	-1	-1	3	1	-1
D. Tax-Exempt Bond Provisions											
1. Repeal of \$100,000 limitation on unspent proceeds under 1-year exception from rebate.....	bia DOE	-2	-3	-4	-4	-5	-8	-10	-18	-36	-68
2. Exception from rebate for earnings on bona fide debt service fund under construction bond rules.....	bia DOE	-1	-2	-2	-3	-3	-4	-8	-11	-23	-47
3. Repeal of debt service-based limitation on investment in certain non-purpose investments.....	bia DOE	----- Negligible Revenue Effect -----									
4. Repeal of expired provisions affecting student loan bonds.....	DOE	----- No Revenue Effect -----									
E. Insurance Provisions											
1. Treatment of certain insurance contracts on retired lives.....	tyba 12/31/95	6	-4	5	4	4	12	-7	16	21	19
2. Treatment of modified guaranteed contracts.....	tyba 12/31/95	-1	2	4	1	2	1	-1	8	8	7
3. Treatment of certain small property and casualty insurance companies under the alternative minimum tax....	tyba 12/31/95	-1	-2	-2	-2	-3	-3	-3	-11	-16	-25

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
F. Other Provisions											
1. Closing of partnership taxable year with respect to deceased partner.....	tyba 12/31/95	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-1
2. Modifications to the FICA tip credit....	eaii OBRA	----- <i>Negligible Revenue Effect</i> -----									
3. Conform due date for first quarter estimated tax by private foundations.....	1/1/96	----- <i>Negligible Revenue Effect</i> -----									
4. Treatment of dues paid to agricultural or horticultural organizations.....	1/1/96	----- <i>Negligible Revenue Effect</i> -----									
VI. ESTATE, GIFT, AND TRUST TAX PROVISIONS											
A. Estate and Trust Income Tax Provisions											
1. Certain revocable trusts treated as part of estate.....	DOE	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[22]	[22]	[22]
2. Distributions during first 65 days of taxable year of estate.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
3. Separate share rules available to estates.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
4. Executor of estate and beneficiaries treated as related persons for disallowance of losses.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
5. Limitation on taxable year of estates.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
6. Repeal of throwback rules applicable to domestic trusts.....	DOE	-8	-9	-10	-10	-10	-10	-10	-47	-67	-97
7. Simplified taxation of earnings of pre-need funeral trusts.....	DOE	[18]	[18]	[18]	[18]	[18]	[18]	[18]	[12]	[12]	[13]
B. Estate and Gift Tax Provisions											
1. Clarification of waiver of certain rights of recovery.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
2. Adjustments for gifts within 3 years of decedent's death.....	DOE	---	-6	-6	-7	-7	-7	-7	-26	-40	-61
3. Clarification of qualified terminable interest rules.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
4. Transitional rule under section 2056A.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
5. Opportunity to correct certain failures under section 2032A.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
6. Unified credit of decedent increased by unified credit of spouse used on split gift included in decedent's gross estate.....	DOE	---	-9	-9	-10	-10	-11	-11	-38	-60	-97

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
7. Reformation of defective bequests to spouse of decedent.....	DOE	---	-11	-11	-12	-13	-13	-14	-47	-74	-120
8. Gifts may not be revalued for estate tax purposes after expiration of statute of limitations.....	ga DOE	---	-15	-16	-16	-18	-21	-26	-65	-112	-227
9. Clarifications relating to disclaimers.....	DOE	---	-2	-2	-2	-2	-3	-3	-8	-14	-23
10. Clarify relationship between community property rights and retirement benefits.....	DOE	---	-3	-4	-4	-4	-4	-4	-15	-23	-37
11. Treatment under qualified domestic trust rules of forms of ownership which are not trusts.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
12. Authority to waive requirement of U.S. trustee for qualified domestic trusts.....	DOE	----- <i>No Revenue Effect</i> -----									
C. Generation-Skipping Tax Provisions											
1. Severing of trusts holding property having an inclusion ratio of greater than zero.....	DOE	---	-5	-6	-6	-6	-6	-7	-23	-36	-58
2. Clarification of who is transferor where subsequent gift by reason of power of appointment.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
3. Taxable termination not to include direct skips.....	DOE	----- <i>Negligible Revenue Effect</i> -----									
4. Modification of generation-skipping transfer tax for transfers to individuals with deceased parents.....	DOE	-3	-4	-4	-4	-4	-4	-4	-19	-27	-40
VII. EXCISE TAX SIMPLIFICATION											
A. Distilled Spirits, Wines, and Beer											
1. Credit or refund for imported bottled distilled spirits returned to bonded premises.....	fcq DOE+180 days	----- <i>Negligible Revenue Effect</i> -----									
2. Authority to cancel or credit export bonds without submission of records.....	fcq DOE+180 days	----- <i>No Revenue Effect</i> -----									
3. Repeal of required maintenance of records on premises of distilled spirits plant.....	fcq DOE+180 days	----- <i>No Revenue Effect</i> -----									
4. Fermented material from any brewery may be received at a distilled spirits plant.....	fcq DOE+180 days	----- <i>Negligible Revenue Effect</i> -----									
5. Repeal of requirement for wholesale dealers in liquors to post sign.....	DOE	----- <i>No Revenue Effect</i> -----									

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05	
6. Refund of tax on wine returned to bond not limited to unmerchantable wine.....	fcq DOE+180 days											<i>Negligible Revenue Effect</i>
7. Use of additional ameliorating material in certain wines.....	fcq DOE+180 days											<i>No Revenue Effect</i>
8. Domestically produced beer may be withdrawn free of tax for use of foreign embassies, legations, etc.....	fcq DOE+180 days											<i>Negligible Revenue Effect</i>
9. Beer may be withdrawn free of tax for destruction.....	fcq DOE+180 days											<i>Negligible Revenue Effect</i>
10. Authority to allow drawback on exported beer without submission of records.....	fcq DOE+180 days											<i>No Revenue Effect</i>
11. Transfer to brewery of beer imported in bulk without payment of tax.....	fcq DOE+180 days											<i>Negligible Revenue Effect</i>
B. Consolidate Imposition of Aviation Gasoline Excise Tax.....	1/1/96	[18]	--	--	--	--	--	--	[18]	[18]	[18]	
C. Other Excise Tax Provisions												
1. Authority for IRS to grant exemptions from registration requirements.....	fcq DOE+180 days											<i>No Revenue Effect</i>
2. Clarify present law for retail truck excise tax (certain activities do not constitute remanufacture).....	DOE											<i>Negligible Revenue Effect</i>
3. Exempt Alaska from diesel dyeing requirement during period that the State is exempt from Clean Air Act dyeing requirement.....	DOE	-1	[1]	--	--	--	--	--	-1	-1	-1	
4. Repeal of temporary reduction in tax on piggyback trailers as "deadwood".....	DOE											<i>No Revenue Effect</i>
5. Delete deep seabed hard minerals excise tax as "deadwood".....	DOE											<i>No Revenue Effect</i>
VIII. ADMINISTRATIVE SIMPLIFICATION PROVISIONS												
A. General Provisions												
1. Repeal of authority to disclose whether prospective juror has been audited.....	DOE											<i>No Revenue Effect</i>
2. Clarification of statute of limitations for items from pass-through entities.....	tyba DOE											<i>No Revenue Effect</i>
3. Certain notices disregarded under provision increasing interest rate on large corporate underpayments.....	1/1/96	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-1	-2	

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02	1996-05
4. Withholding of Puerto Rico income taxes from the salaries of employees of the U.S.....	tyba 1995										
B. Tax Court Procedures											
1. Overpayment determinations of Tax Court.....	DOE										
2. Awarding of administrative costs and attorneys fees.....	DOE										
3. Redetermination of interest pursuant to motion.....	DOE										
4. Application of net worth requirement for awards of litigation costs.....	DOE										
C. Authority for Certain Cooperative Agreements											
1. Cooperative agreements with State tax authorities.....	DOE										
Total of Tax Simplification Act (Title XIV).....		-157	-646	-865	-717	-733	-769	-839	-3,129	-4,735	-7,429

TOTAL OF REVENUE EFFECTS

(Titles XIII and XIV OF RECONCILIATION).....

472	797	2,227	3,321	3,728	4,308	5,310	10,531	20,146	40,838
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TOTAL OF OUTLAY EFFECTS

(Titles XIII and XIV OF RECONCILIATION).....

131	2,636	2,779	2,911	3,073	3,201	3,253	11,531	17,985	28,398
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GRAND TOTAL OF REVENUE EFFECTS (CONTRACT AND RECONCILIATION).....

8,249	-33,342	-38,112	-40,996	-39,920	-39,450	-41,934	-144,135	-225,522	-364,597
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Joint Committee on Taxation

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

[Legend and Footnotes for JCX-47-95 appear on the following page]

Legend and Footnotes for JCX-47-95:

Legend for "Effective" column: tyba DOE = taxable years beginning after date of enactment

ppisa = property placed in service after

lida = leasehold improvements disposed of after

s/a = sales after

sea = sales and exchanges after

DOE = date of enactment

tyba = taxable years beginning after

r/a = remuneration after

asda = annuity starting date after

yba = years beginning after

pyba = plan years beginning after

fcq DOE+180 days = beginning of first calendar

quarter that starts at least 180 days after date of enactment

ppisa DOE = property placed in service after date of enactment

cc/tyea/E = contracts completed in taxable years ending after date of enactment

gira = gross income received after

tyea = taxable years ending after

reoa = reportable events that occur after

pybo/a = plan years beginning on or after

lyba = limitation years beginning after

da = distributions after

tybo/a = taxable years beginning on or after

bia = bonds issued after

pra = payments received after

ama = awards made after

6ma DOE = 6 months after date of enactment

tyea DOE = taxable years ending after date of enactment

ga DOE = gifts after date of enactment

dda DOE = decedents dying after date of enactment

ara = amounts received after

ipcaa = interest paid or accrued after

ica = involuntary conversion after

atsotppa DOE = any tax shelter offered to potential participants after date of enactment

eaii OBRA = effective as if included in the Omnibus Budget Reconciliation Act of 1993

eaii GATT = effective as if included in GATT

[1] Loss of less than \$500,000.

[2] The Alternative Minimum Tax depreciation adjustment would be repealed for: (1) all property covered under the Neutral Cost Recovery System; and (2) all other depreciable property placed in service after March 13, 1995.

[3] The positive interaction between these two provisions will go to zero if either of these provisions is removed from the package.

[4] Beginning after 1998, estimate includes indexing of the following: (1) the \$10,000 annual exclusions for gifts; (2) the \$750,000 ceiling amount on special use valuation under section 2032A of the Internal Revenue Code; (3) the \$1,000,000 generation-skipping transfer tax exemption; and (4) the value of closely held business eligible for the special four-percent interest rate under section 6601(j) of the Internal Revenue Code.

[5] Total does not include all possible interaction among provisions.

[6] Credit rate at 35% on first \$6,000 of income and AFDC included.

[7] Estimates provided by the Congressional Budget Office (CBO).

[8] Section 257(b)(2)(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990, indicates that "excise taxes dedicated to a trust fund, if expiring, are assumed to be extended at current rates". Since the revenues from these taxes are dedicated to the Airport and Airway Trust Fund, an extension of the taxes is scored as having no revenue effect.

[9] Loss of less than \$1 million.

[10] Loss of less than \$5 million.

[11] Gain of less than \$1 million.

[12] Gain of less than \$5 million.

[13] Gain of less than \$7 million.

[14] Gain of less than \$25 million.

[Footnotes for JCX-47-95 continued on following page]

Footnotes for JCX-47-95 continued:

- [15] Gain of less than \$30 million.
- [16] No new suspense accounts could be established in taxable years ending after 9/13/95. The income in existing suspense accounts would be recognized in equal installments over a 20-years period beginning with the first taxable year beginning after 9/13/95.
- [17] Loss of less \$50 million.
- [18] Gain of less than \$500,000.
- [19] Due to interaction between the provisions, items do not sum to total package.
- [20] Gain of less than \$50,000.
- [21] Gain of less than \$250,000.
- [22] Loss of less than \$25 million.